OHIO AUDITOR OF STATE
KEITH FABER

ASHLAND COUNTY
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OHIO AUDITOR OF STATE
KEITH FABER

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INDEPENDENT AUDITOR'S REPORT

Ashland County
142 West 2nd Street
Ashland, Ohio 44805

To the Board of County Commissioners:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Ashland County, Ohio (County), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Ashland County, Ohio as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, Motor Vehicle and Gasoline Tax, Job and Family Services, Alcohol, Drug Addiction and Mental Health Services, Developmental Disabilities, and American Rescue Plan Funds for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 28, 2024, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Keith Faber
Auditor of State
Columbus, Ohio

August 28, 2024

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The discussion and analysis of Ashland County's financial performance provides an overview of the County's financial activities for the year ended December 31, 2023. The intent of this discussion and analysis is to look at the County's financial performance as a whole.

Highlights

In total, the County's net position increased $7,143,366, or 11 percent. Governmental activities increased almost 11 percent. Business-type activities net position increased almost 49 percent.

Using this Annual Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Ashland County's financial position.

The statement of net position and the statement of activities provide information about the activities of the County as a whole, presenting both an aggregate and a longer-term view of the County.

Fund financial statements provide a greater level of detail. For governmental funds, these statements tell how services were financed in the short-term and what remains for future spending. Fund financial statements report the County's most significant funds individually and the County's non-major funds in a single column. The County's major funds are the General; Motor Vehicle and Gasoline Tax; Job and Family Services; Alcohol, Drug Addiction, and Mental Health Services; Developmental Disabilities; American Rescue Plan; and Landfill funds.

Reporting the County as a Whole

The statement of net position and the statement of activities reflect how the County did financially during 2023. These statements include all assets and liabilities using the accrual basis of accounting similar to that which is used by most private-sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid.

These statements report the County's net position and changes in net position. This change in net position is important because it tells the reader whether the financial position of the County as a whole has increased or decreased from the prior year. Over time, these increases and/or decreases are one indicator of whether the financial position is improving or deteriorating. The causes of these changes may be the result of many factors, some financial, some not. Non-financial factors include the County's property tax base and the condition of the County's capital assets. These factors must be considered when assessing the overall health of the County.

In the statement of net position and the statement of activities, the County is divided into two distinct types of activities.

Governmental Activities - Most of the County's programs and services are reported here including general government, public safety, public works, health, human services, conservation and recreation, economic development and assistance, and intergovernmental. These services are funded primarily by property taxes and sales taxes and intergovernmental revenues, including federal and state grants and other shared revenues.

Business-Type Activities - These services are provided on a charge for services basis and are intended to recover all or most of the costs of the services provided. The landfill is reported here.

Reporting the County's Most Significant Funds

Fund financial statements provide detailed information about the County's major funds, the General; Motor Vehicle and Gasoline Tax; Job and Family Services; Alcohol, Drug Addiction, and Mental Health Services; Developmental Disabilities; American Rescue Plan; and Landfill funds. While the County uses many funds to account for its financial transactions, these are the most significant.

Governmental Funds - The County's governmental funds are used to account for essentially the same programs reported as governmental activities on the government-wide financial statements. Most of the County's basic services are reported in these funds and focus on how money flows into and out of the funds as well as the balances available for spending at year end. These funds are reported on the modified accrual basis of accounting which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services being provided.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities on the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to help make this comparison between governmental funds and governmental activities.

Proprietary Funds - The County's proprietary funds consist of enterprise funds. Enterprise funds use the accrual basis of accounting and are used to report the same functions presented as business-type activities on the government-wide financial statements.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected on the government-wide financial statements because the resources from these funds are not available to support the County's programs. These funds also use the accrual basis of accounting.

Government-Wide Financial Analysis

Table 1 provides a summary of the County's net position for 2023 and 2022.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets						
Current and Other Assets	$67,260,659	$66,882,322	$1,213,435	$1,133,496	$68,474,094	$68,015,818
Net Pension Asset	96,851	230,265	0	0	96,851	230,265
Net OPEB Asset	82,130	3,086,317	0	0	82,130	3,086,317
Capital Assets, Net	39,993,942	35,256,216	61,465	61,465	40,055,407	35,317,681
Total Assets	107,433,582	105,455,120	1,274,900	1,194,961	108,708,482	106,650,081
Deferred Outflows of Resources						
Pension	12,195,559	4,387,663	0	0	12,195,559	4,387,663
OPEB	1,810,846	79,057	0	0	1,810,846	79,057
Total Deferred Outflows of Resources	14,006,405	4,466,720	0	0	14,006,405	4,466,720
Liabilities						
Current and Other Liabilities	5,865,251	9,474,059	19,917	33,670	5,885,168	9,507,729
Long-Term Liabilities						
Pension	29,565,307	9,489,532	0	0	29,565,307	9,489,532
OPEB	592,645	0	0	0	592,645	0
Other Amounts	1,584,873	1,412,346	801,667	856,253	2,386,540	2,268,599
Total Liabilities	37,608,076	20,375,937	821,584	889,923	38,429,660	21,265,860
Deferred Inflows of Resources						
Pension	248,773	10,609,749	0	0	248,773	10,609,749
OPEB	267,123	3,191,433	0	0	267,123	3,191,433
Other Amounts	11,704,734	11,128,528	0	0	11,704,734	11,128,528
Total Deferred Inflows of Resources	12,220,630	24,929,710	0	0	12,220,630	24,929,710
Net Position						
Net Investment in Capital Assets	39,896,044	34,236,177	61,465	61,465	39,957,509	34,297,642
Restricted	27,934,196	30,279,220	0	0	27,934,196	30,279,220
Unrestricted (Deficit)	3,781,041	100,796	391,851	243,573	4,172,892	344,369
Total Net Position (Deficit)	$71,611,281	$64,616,193	$453,316	$305,038	$72,064,597	$64,921,231

The net pension/OPEB liability (asset) reported by the County at December 31, 2023, is reported pursuant to Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". For reasons discussed below, end users of these financial statements will gain a clearer understanding of the County's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability (asset), and the net OPEB pension (asset) to the reported net position and subtracting deferred outflows related to pension and OPEB.

GASB standards are national standards and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB Statement No. 27) and postemployment benefits (GASB Statement No. 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension or net OPEB liability. GASB Statements No. 68 and No. 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and State law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB Statements No. 68 and No. 75 require the net pension liability (asset) and the net OPEB liability (asset) to equal the County's proportionate share of each plan's collective present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service minus plan assets available to pay these benefits.

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange", that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the County is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require, the retirement systems to provide health care to eligible benefit recipients. The retirement systems may allocate a portion of the employer contribution to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan against the public employer. State law operates to mitigate/lessen the moral obligation of the public employer to the employee because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

Most long-term liabilities have set repayment schedules or in the case of compensated absences (i.e. vacation and sick leave) are satisfied through paid time off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability (when applicable). As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the County. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability (when applicable) are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB Statements No. 68 and No. 75, the County's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's change in the net pension liability (asset) and the net OPEB liability (asset), respectively, not accounted for as deferred outflows/inflows.

Pension/OPEB changes noted in the above table reflect a decrease in the net pension asset and the net OPEB asset, an overall increase in deferred outflows, and an overall decrease in deferred inflows. These changes are affected by changes in benefits, contribution rates, return on investments, and actuarial assumptions. The increase in the net pension liability and in the net OPEB liability represent the County's proportionate share of the unfunded benefits.

Aside from the changes related to pension/OPEB, there were several other changes of significance for governmental activities. Several primary sources contributed to the increase in current and other assets. Accounts receivable increased for the OneOhio opioid settlement and property taxes receivable increased due to increasingly large delinquency from the Rover Pipeline. Note however, cash and cash equivalents did decrease as the County continued to spend down the American Rescue Plan Act (ARPA) monies received in prior years. Depreciable assets increased due to the completion of projects including a new dog shelter, a remodel of the Job and Family Services building, and a Corner Park improvements. The decrease in current and other liabilities was due to a decrease in unearned revenue (ARPA monies received and continuing to be spent). There was also a decrease in liabilities for accounts and contracts payable due to timing of payments in the prior year. The increase in invested in capital assets, unrestricted net position and decrease in restricted net position, were substantially impacted by all the above items mentioned.

For business-type activities, the increase in current and other assets was generally due to an increase in cash and cash equivalents as revenues outpaced expenses for 2023. The decrease in other long-term liabilities was primarily due to the change in the closure/postclosure liability.

Table 2 reflects the change in net position for 2023 and 2022.

Table 2
Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
Program Revenues						
Charges for Services	$5,700,994	$5,440,146	$499,051	$512,781	$6,200,045	$5,952,927
Operating Grants, Contributions, and Interest	21,297,375	21,085,690	55,861	0	21,353,236	21,085,690
Capital Grants, Contributions, and Interest	2,117,249	2,401,729	0	0	2,117,249	2,401,729
Total Program Revenues	29,115,618	28,927,565	554,912	512,781	29,670,530	29,440,346
General Revenues						
Property Taxes Levied for						
General Operations	3,750,849	3,619,988	0	0	3,750,849	3,619,988
Health-Alcohol, Drug Addiction, and Mental Health Services	1,204,916	1,222,253	0	0	1,204,916	1,222,253
Health-Developmental Disabilities	5,086,368	5,203,594	0	0	5,086,368	5,203,594
Health-Other	2,959,154	3,065,924	0	0	2,959,154	3,065,924
Permissive Sales Taxes Levied for						
General Operations	8,616,646	8,849,038	0	0	8,616,646	8,849,038
County Jail Operations	2,241,818	2,267,127	0	0	2,241,818	2,267,127
Capital Projects	321,691	220,920	0	0	321,691	220,920

(continued)

Table 2
Change in Net Position
(continued)

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
General Revenues (continued)						
Other Local Taxes	$410,043	$424,223	$0	$0	$410,043	$424,223
Grants and Entitlements	2,055,218	1,947,986	0	0	2,055,218	1,947,986
Investement Earnings and Other Interest	2,600,205	197,243	0	0	2,600,205	197,243
Other	4,560,369	3,686,774	11,445	16,729	4,571,814	3,703,503
Total General Revenues	33,807,277	30,705,070	11,445	16,729	33,874,583	30,721,799
Total Revenues	62,922,895	59,632,635	566,357	529,510	63,489,252	60,162,145
Program Expenses						
General Government						
Legislative and Executive	7,990,530	6,432,754	0	0	7,990,530	6,432,754
Judicial	3,435,615	2,240,886	0	0	3,435,615	2,240,886
Public Safety						
Sheriff	10,758,667	6,503,775	0	0	10,758,667	6,503,775
Other	323,211	327,522	0	0	323,211	327,522
Public Works	6,683,899	7,258,871	0	0	6,683,899	7,258,871
Health						
Alcohol, Drug Addiction, and Mental Health Services	4,678,846	4,266,906	0	0	4,678,846	4,266,906
Developmental Disabilities	7,969,373	6,474,255	0	0	7,969,373	6,474,255
Other	1,472,991	1,667,071	0	0	1,472,991	1,667,071
Human Services						
Children Services	4,099,066	3,460,621	0	0	4,099,066	3,460,621
Job and Family Services	4,933,336	2,507,538	0	0	4,933,336	2,507,538
Other	1,794,023	1,418,629	0	0	1,794,023	1,418,629
Conservation and Recreation	23,380	43,380	0	0	23,380	43,380
Economic Development and Assistance	1,119,143	1,172,232	0	0	1,119,143	1,172,232
Intergovernmental	645,727	252,756	0	0	645,727	252,756
Landfill	0	0	418,079	469,772	418,079	469,772
Total Expenses	55,927,807	44,027,196	418,079	469,772	56,345,886	44,496,968
Increase in Net Position	6,995,088	15,605,439	148,278	59,738	7,143,366	15,665,177
Net Position Beginning of Year	64,616,193	49,010,754	305,038	245,300	64,921,231	49,256,054
Net Position End of Year	$71,611,281	$64,616,193	$453,316	$305,038	$72,064,597	$64,921,231

For governmental activities, there was not a significant change in total program revenues; however, there was an increase in charges from services largely from the opioid settlement monies and a decrease in capital grants and contributions due to a decrease in ARPA money used to purchase capital assets. The increase in general revenues was generally due to the increase in investment earnings and other interest based on the performance of the County's investments and other revenue due to donations for the dog shelter. The increase in overall expenses is due to salaries and benefits as well as overall increase in pension expense.

For business-type activities, the increase in total revenues was due to additional money received for solid waste clean-up. The decrease in expenses was due to a decrease in services contracted with a third-party.

Table 3 indicates the total cost of services and the net cost of services for governmental activities. The statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues.

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2023	2022	2023	2022
General Government:				
Legislative and Executive	$7,990,530	$6,432,754	$5,059,306	$3,650,369
Judicial	3,435,615	2,240,886	1,440,022	327,237
Public Safety				
Sheriff	10,758,667	6,503,775	9,593,911	5,356,137
Other	323,211	327,522	312,192	272,130
Public Works	6,683,899	7,258,871	(253,947)	(430,831)
Health				
Alcohol, Drug Addiction and Mental Health Services	4,678,846	4,266,906	1,391,316	551,619
Developmental Disabilities	7,969,373	6,474,255	5,287,736	4,153,153
Other	1,472,991	1,667,071	(540,208)	(559,949)
Human Services				
Children Services	4,099,066	3,460,621	2,034,548	1,047,608
Job and Family Services	4,933,336	2,507,538	2,004,835	(81,246)
Other	1,794,023	1,418,629	143,027	235,036
Conservation and Recreation	23,380	43,380	16,561	43,380
Economic Development and Assistance	1,119,143	1,172,232	1,119,143	422,232
Intergovernmental	645,727	252,756	(796,253)	112,756
Total Expenses	$55,927,807	$44,027,196	$26,812,189	$15,099,631

The County's general revenues (primarily property taxes, sales taxes, and unrestricted grants and entitlements) supported 48 percent of the governmental programs provided by the County (34 percent was supported in 2022). Fluctuations from normal have occurred over the past four years due to the impact of CARES Act funding and ARPA monies received by the County. However, a review of the above table reveals that a number of the County's programs have consistently received substantial support through program revenues. For instance, 36 percent of legislative and executive costs were provided for through various charges for services. The judicial program also provides for its cost through various fines, court costs, and grants. The public works program is provided through motor vehicle license fees and gas taxes as well as from charges to other governmental entities for which the County Engineer provides services. The health and human services programs continue to be largely funded through various grants and entitlements restricted to providing programs for various at risk individuals.

Governmental Funds Financial Analysis

The County's major governmental funds are the General Fund and the Motor Vehicle and Gasoline Tax; Job and Family Services; Alcohol, Drug Addiction, and Mental Health Services; Developmental Disabilities; and American Rescue Plan special revenue funds.

Fund balance increased 21 percent in the General Fund. Revenues increased primarily from the increase in charges for services (opioid settlement) and investment earning and other interest (performance of County's investments). Revenues continued to exceed expenditures for 2023.

The Motor Vehicle and Gasoline Tax Fund had an increase in fund balance of 17 percent. Revenues increased primarily due to more grant resources (ODOT funding) received for roads and bridges and a decrease in expenditures for 2023.

Fund balance decreased 10 percent in the Job and Family Services Fund due to expenditures exceeding revenues in the current year.

Fund balance did not change significantly from the prior year for the Alcohol, Drug Addiction, and Mental Health Services Fund.

Fund balance decreased almost 3 percent in the Developmental Disabilities fund which is not significant.

All resources received within the American Rescue Plan Fund were spent during the year.

Business-Type Activities Financial Analysis

Net position increased in the Landfill Fund due to the fund no longer needing to support the operations of the Recycling Center and a reduction in the closure/postclosure costs. The County discontinued the recycling program during 2019.

Budgetary Highlights

The County prepares an annual budget of revenues and expenditures/expenses for all funds of the County for use by County officials and department heads and such other budgetary documents as are required by State statute, including the annual appropriations resolution which is effective the first day of January. The County's most significant budgeted fund is the General Fund. For revenues, changes from the original budget to the final budget were largely due to improving projections for sales taxes and interest revenue. Changes from the final budget to actual revenues were not significant. Changes from the original budget to the final budget were significant in legislative and executive, judicial, and public safety programs. Actual expenditures were significantly lower than the final budget mostly due to costs coming in lower than anticipated.

Capital Assets and Debt Administration

Capital Assets - The County's net investment in capital assets for governmental and business-type activities as of December 31, 2023, was $39,896,044 and $61,465, respectively (net of accumulated depreciation and related debt). The primary additions for governmental activities were construction of a new dog shelter, remodels of the Health Department and Job and Family Services buildings, the purchase of a new Health Department building, road and bridge improvements, vehicles, and equipment. Disposals included the sale of the Pumphouse building and parking lot. There were no additions or disposals for the business-type activity. For further information regarding the County's capital assets, refer to Note 10 to the basic financial statements.

Debt - At December 31, 2023, the County had an outstanding loan, in the amount of $16,934. In addition, the County's long-term obligations include the net pension/OPEB liability, compensated absences, and the liability for landfill postclosure costs. For further information regarding the County's long-term obligations, refer to Notes 17 to the basic financial statements.

Current Issues

Revenue for the County continued to increase with sales tax leading the way. The housing market remains steady. The demand for affordable housing is putting pressure on home sales in the County. Values for real estate increased between 5 percent and 45 percent due to the triennial update.

ARPA fund balance is declining. ARPA funds have helped maintain services, repair buildings and build additional buildings. With the end of ARPA funds the County will have to find another funding source to pay for future capital projects. As of today, the County has no debt.

The Children Service budget has increased due to drug related issues and has a great need for foster parents; however there has been difficulty recruiting people.

Request for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's financial status. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to Cindy Funk, Ashland County Auditor, 142 West Second Street, Ashland, Ohio 44805.

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Ashland County
Statement of Net Position
December 31, 2023

	Governmental Activities	Business-Type Activity	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	$39,912,949	$1,174,205	$41,087,154
Accounts Receivable	427,862	39,616	467,478
Accrued Interest Receivable	111,551	0	111,551
Permissive Sales Taxes Receivable	2,942,792	0	2,942,792
Other Local Taxes Receivable	37,748	0	37,748
Due from Other Governments	5,375,110	0	5,375,110
Internal Balance	386	(386)	0
Prepaid Items	263,719	0	263,719
Materials and Supplies Inventory	1,257,138	0	1,257,138
Property Taxes Receivable	16,931,404	0	16,931,404
Net Pension Asset	96,851	0	96,851
Net OPEB Asset	82,130	0	82,130
Nondepreciable Capital Assets	3,009,368	61,465	3,070,833
Depreciable Capital Assets, Net	36,984,574	0	36,984,574
Total Assets	107,433,582	1,274,900	108,708,482
Deferred Outflows of Resources			
Pension	12,195,559	0	12,195,559
OPEB	1,810,846	0	1,810,846
Total Deferred Outflows of Resources	14,006,405	0	14,006,405
Liabilities			
Accrued Wages Payable	133,587	2,600	136,187
Accounts Payable	1,047,325	16,377	1,063,702
Contracts Payable	160,531	0	160,531
Due to Other Governments	465,660	940	466,600
Employee Withholdings Payable	239,691	0	239,691
Matured Compensated Absences Payable	19,324		19,324
Unearned Revenue	3,765,099	0	3,765,099
Retainage Payable	34,034	0	34,034
Long-Term Liabilities:			
Due Within One Year	424,923	89,787	514,710
Due in More Than One Year			
Net Pension Liability	29,565,307	0	29,565,307
Net OPEB Liability	592,645	0	592,645
Other Amounts Due in More Than One Year	1,159,950	711,880	1,871,830
Total Liabilities	37,608,076	821,584	38,429,660
Deferred Inflows of Resources			
Property Taxes	11,704,734	0	11,704,734
Pension	248,773	0	248,773
OPEB	267,123	0	267,123
Total Deferred Inflows of Resources	12,220,630	0	12,220,630
Net Position			
Net Investment in Capital Assets	39,896,044	61,465	39,957,509
Restricted for:			
Capital Projects	45	0	45
Public Works	5,606,384	0	5,606,384
Alcohol, Drug Addiction, and Mental Health Services	3,428,898	0	3,428,898
Developmental Disabilities	8,618,935	0	8,618,935
Real Estate Assessment	1,546,092	0	1,546,092
County Jail	1,353,431	0	1,353,431
Other Purposes	7,201,430	0	7,201,430
Pension and OPEB Plans	178,981	0	178,981
Unrestricted	3,781,041	391,851	4,172,892
Total Net Position	$71,611,281	$453,316	$72,064,597

See Accompanying Notes to the Basic Financial Statements

Ashland County
Statement of Activities
For the Year Ended December 31, 2023

		Program Revenues		
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants and Contributions
Governmental Activities				
General Government				
Legislative and Executive	$7,990,530	$2,876,224	$55,000	$0
Judicial	3,435,615	1,432,908	562,685	0
Public Safety				
Sheriff	10,758,667	839,642	292,963	32,151
Other	323,211	6,069	4,950	0
Public Works	6,683,899	259,017	6,480,921	197,908
Health				
Alcohol, Drug Addiction, and Mental Health Services	4,678,846	0	3,287,530	0
Developmental Disabilities	7,969,373	38,419	2,643,218	0
Other	1,472,991	64,839	61,170	1,887,190
Human Services				
Children Services	4,099,066	3,475	2,061,043	0
Job and Family Services	4,933,336	0	2,928,501	0
Other	1,794,023	180,401	1,470,595	0
Conservation and Recreation	23,380	0	6,819	0
Economic Development and Assistance	1,119,143	0	0	0
Intergovernmental	645,727	0	1,441,980	0
Total Governmental Activities	55,927,807	5,700,994	21,297,375	2,117,249
Business-Type Activity				
Landfill	418,079	499,051	55,861	0
Total	$56,345,886	$6,200,045	$21,353,236	$2,117,249

General Revenues
Property Taxes Levied for
General Operations
Health-Alcohol, Drug Addiction, and Mental Health Services
Health-Developmental Disabilities
Health-Other
Permissive Sales Taxes Levied for
General Operations
County Jail Operations
Capital Projects
Other Local Taxes
Grants and Entitlements not Restricted for Specific Programs
Investment Earnings and Other Interest
Other

Total General Revenues

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See Accompanying Notes to the Basic Financial Statements

Net (Expense) Revenue and Change in Net Position		
Governmental Activities	Business-Type Activity	Total
($5,059,306)	$0	($5,059,306)
(1,440,022)	0	(1,440,022)
(9,593,911)	0	(9,593,911)
(312,192)	0	(312,192)
253,947	0	253,947
(1,391,316)	0	(1,391,316)
(5,287,736)	0	(5,287,736)
540,208	0	540,208
(2,034,548)	0	(2,034,548)
(2,004,835)	0	(2,004,835)
(143,027)	0	(143,027)
(16,561)	0	(16,561)
(1,119,143)	0	(1,119,143)
796,253	0	796,253
(26,812,189)	0	(26,812,189)
0	136,833	136,833
($26,812,189)	$136,833	($26,675,356)
3,750,849	0	3,750,849
1,204,916	0	1,204,916
5,086,368	0	5,086,368
2,959,154	0	2,959,154
8,616,646	0	8,616,646
2,241,818	0	2,241,818
321,691	0	321,691
410,043	0	410,043
2,055,218	0	2,055,218
2,600,205	0	2,600,205
4,560,369	11,445	4,571,814
33,807,277	11,445	33,818,722
6,995,088	148,278	7,143,366
64,616,193	305,038	64,921,231
$71,611,281	$453,316	$72,064,597

Ashland County
Balance Sheet
Governmental Funds
December 31, 2023

	General	Motor Vehicle and Gasoline Tax	Job and Family Services	Alcohol, Drug Addiction, and Mental Health Services
Assets				
Equity in Pooled Cash and Cash Equivalents	$14,267,683	$1,728,039	$225,130	$3,109,562
Accounts Receivable	10,969	0	0	0
Accrued Interest Receivable	85,806	5,513	0	0
Permissive Sales Taxes Receivable	2,260,134	0	0	0
Other Local Taxes Receivable	0	15,811	0	0
Due from Other Governments	931,513	2,930,979	452,801	248,897
Interfund Receivable	96,585	572	446,357	0
Prepaid Items	263,719	0	0	0
Materials and Supplies Inventory	90,430	1,142,631	3,571	0
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	81,293	0	0	0
Property Taxes Receivable	5,221,719	0	0	1,308,270
Total Assets	$23,309,851	$5,823,545	$1,127,859	$4,666,729
Liabilities				
Accrued Wages Payable	$22,647	$45,030	$42,457	$7,448
Accounts Payable	123,949	24,249	81,007	289,421
Contracts Payable	0	21,500	0	0
Due to Other Governments	219,874	23,062	45,454	4,988
Employee Withholdings Payable	239,691	0	0	0
Interfund Payable	572	10,187	25,008	1,574
Matured Compensated Absences Payable	17,488	1,836	0	0
Unearned Revenue	0	0	0	0
Retainage Payable	0	0	0	0
Total Liabilities	624,221	125,864	193,926	303,431
Deferred Inflows of Resources				
Property Taxes	3,610,604	0	0	903,600
Unavailable Revenue	4,015,211	2,503,740	73,847	461,187
Total Deferred Inflows of Resources	7,625,815	2,503,740	73,847	1,364,787
Fund Balances				
Nonspendable	435,442	1,142,631	3,571	0
Restricted	91,651	2,051,310	856,515	2,998,511
Committed	593,959	0	0	0
Assigned	3,311,907	0	0	0
Unassigned (Deficit)	10,626,856	0	0	0
Total Fund Balances	15,059,815	3,193,941	860,086	2,998,511
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$23,309,851	$5,823,545	$1,127,859	$4,666,729

See Accompanying Notes to the Basic Financial Statements

Developmental Disabilities	American Rescue Plan	Other Governmental	Total
$6,598,387	$3,369,259	$10,533,596	$39,831,656
2,374	0	414,519	427,862
3,080	15,944	1,208	111,551
0	0	682,658	2,942,792
0	0	21,937	37,748
323,608	0	487,312	5,375,110
0	0	29,885	573,399
0	0	0	263,719
12,785	0	7,721	1,257,138
0	0	0	81,293
6,578,413	0	3,823,002	16,931,404
$13,518,647	$3,385,203	$16,001,838	$67,833,672
$0	$0	$16,005	$133,587
68,585	0	460,114	1,047,325
0	71,543	67,488	160,531
119,068	0	53,214	465,660
0	0	0	239,691
30,604	0	505,068	573,013
0	0	0	19,324
0	3,265,698	499,401	3,765,099
0	32,018	2,016	34,034
218,257	3,369,259	1,603,306	6,438,264
4,547,500	0	2,643,030	11,704,734
2,333,707	15,944	2,291,660	11,695,296
6,881,207	15,944	4,934,690	23,400,030
12,785	0	7,721	1,602,150
6,406,398	0	7,355,822	19,760,207
0	0	2,259,540	2,853,499
0	0	0	3,311,907
0	0	(159,241)	10,467,615
6,419,183	0	9,463,842	37,995,378
$13,518,647	$3,385,203	$16,001,838	$67,833,672

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Ashland County
Reconciliation of Total Governmental Fund Balances
to Net Position of Governmental Activities
December 31, 2023

Total Governmental Fund Balances		$37,995,378
Amounts reported for governmental activities on the statement of net position are different because of the following:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		39,993,942
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		
Accounts Receivable	492,330	
Accrued Interest Receivable	62,326	
Permissive Sales Taxes Receivable	2,014,647	
Due from Other Governments	3,880,903	
Interfund Receivable	18,420	
Delinquent Property Taxes Receivable	5,226,670	
		11,695,296
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Loan Payable	(16,934)	
Compensated Absences Payable	(1,567,939)	
		(1,584,873)
The net pension liability (asset) and net OPEB asset are not due and payable in the current period; therefore, the asset, liability, and related deferred inflows/outflows are not reported in governmental funds.		
Net Pension Asset	96,851	
Deferred Outflows - Pension	12,195,559	
Deferred Inflows - Pension	(248,773)	
Net Pension Liability	(29,565,307)	
Net OPEB Asset	82,130	
Deferred Outflows - OPEB	1,810,846	
Deferred Inflows - OPEB	(267,123)	
Net OPEB Liability	(592,645)	
		(16,488,462)
Net Position of Governmental Activities		$71,611,281

See Accompanying Notes to the Basic Financial Statements

Ashland County
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

	General	Motor Vehicle and Gasoline Tax	Job and Family Services	Alcohol, Drug Addiction, and Mental Health Services
Revenues				
Property Taxes	$3,241,068	$0	$0	$1,112,565
Permissive Sales Taxes	8,672,500	0	0	0
Other Local Taxes	7,840	204,742	0	0
Charges for Services	2,527,910	0	0	0
Licenses and Permits	3,240	0	0	0
Fines, Forfeitures, and Settlements	71,741	54,275	0	0
Intergovernmental	1,571,890	6,537,094	2,739,043	3,456,689
Investment Earnings and Other Interest	2,271,426	53,598	0	0
Other	1,023,134	192,825	1,643,746	132,868
Total Revenues	19,390,749	7,042,534	4,382,789	4,702,122
Expenditures				
Current:				
General Government				
Legislative and Executive	6,201,219	0	0	0
Judicial	2,329,019	0	0	0
Public Safety				
Sheriff	6,864,961	0	0	0
Other	293,997	0	0	0
Public Works	86,864	6,573,811	0	0
Health				
Alcohol, Drug Addiction, and Mental Health Services	0	0	0	4,650,209
Developmental Disabilities	0	0	0	0
Other	242,304	0	0	0
Human Services				
Children Services	0	0	0	0
Job and Family Services	0	0	4,552,877	0
Other	418,083	0	0	0
Conservation and Recreation	30,000	0	0	0
Economic Development and Assistance	0	0	0	0
Capital Outlay	0	0	0	0
Intergovernmental	114,040	0	0	0
Debt Service:				
Principal Retirement	0	0	10,000	0
Total Expenditures	16,580,487	6,573,811	4,562,877	4,650,209
Excess of Revenues Over (Under) Expenditures	2,810,262	468,723	(180,088)	51,913
Other Financing Sources (Uses)				
Sale of Capital Assets	0	0	0	0
Transfers In	0	0	80,960	0
Transfers Out	(203,538)	0	0	0
Total Other Financing Sources (Uses)	(203,538)	0	80,960	0
Changes in Fund Balances	2,606,724	468,723	(99,128)	51,913
Fund Balances Beginning of Year	12,453,091	2,725,218	959,214	2,946,598
Fund Balances End of Year	$15,059,815	$3,193,941	$860,086	$2,998,511

See Accompanying Notes to the Basic Financial Statements

Developmental Disabilities	American Rescue Plan	Other Governmental	Total
$4,652,663	$0	$2,694,220	$11,700,516
0	0	2,558,864	11,231,364
0	0	402,203	614,785
0	0	1,481,063	4,008,973
0	0	290,325	293,565
0	0	256,954	382,970
2,598,305	2,727,547	6,081,914	25,712,482
59,371	235,940	9,096	2,629,431
353,971	0	1,119,063	4,465,607
7,664,310	2,963,487	14,893,702	61,039,693
0	0	789,881	6,991,100
0	78,663	881,013	3,288,695
0	114,781	3,106,330	10,086,072
0	0	16,228	310,225
0	0	0	6,660,675
0	0	0	4,650,209
7,833,130	0	0	7,833,130
0	1,954,588	1,742,054	3,938,946
0	0	4,103,484	4,103,484
0	0	209,607	4,762,484
0	0	1,410,407	1,828,490
0	10,000	0	40,000
0	0	1,119,143	1,119,143
0	303,768	3,071,171	3,374,939
0	501,687	0	615,727
0	0	0	10,000
7,833,130	2,963,487	16,449,318	59,613,319
(168,820)	0	(1,555,616)	1,426,374
0	0	298,803	298,803
0	0	122,578	203,538
0	0	0	(203,538)
0	0	421,381	298,803
(168,820)	0	(1,134,235)	1,725,177
6,588,003	0	10,598,077	36,270,201
$6,419,183	$0	$9,463,842	$37,995,378

Ashland County
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to Statement of Activities
For the Year Ended December 31, 2023

Changes in Fund Balances - Total Governmental Funds		$1,725,177
Amounts reported for governmental activities on the statement of activities are different because of the following:		
Governmental funds report capital outlays as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current year.		
Capital Outlay - Nondepreciable	150,486	
Capital Outlay - Construction in Progress	4,776,844	
Capital Outlay - Depreciable Capital Assets	3,205,601	
Capital Contributions	32,151	
Depreciation	(2,981,271)	
		5,183,811
The proceeds from the sale of capital assets are reported as other financing sources in the governmental funds. However, the cost of the capital assets is removed from the capital asset account on the statement of net position and is offset against the proceeds from the sale of capital assets resulting in a gain or loss on disposal of capital assets on the statement of activities.		
Proceeds from Sale of Capital Assets	(298,803)	
Gain on Disposal of Capital Assets	165,289	
Loss on Disposal of Capital Assets	(312,571)	
		(446,085)
Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.		
Charges for Services	37,750	
Delinquent Property Taxes	1,300,771	
Fines, Forfeitures, and Settlements	411,501	
Permissive Sales Taxes	(51,209)	
Intergovernmental	(51,903)	
Investment Earnings and Other Interest	25,736	
Other	13,116	
		1,685,762
Repayment of principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities on the statement of net position.		10,000
Compensated absences reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(182,527)
Except for amounts reported as deferred outflows/inflows, changes in the net pension/OPEB liability (asset) are reported as pension expense on the statement of activities.		
Pension	(4,474,372)	
OPEB	1,035,527	
		(3,438,845)
Contractually required contributions are reported as expenditures in the governmental funds, however, the statement of net position reports these amounts as deferred outflows.		
Pension	2,434,055	
OPEB	23,740	
		2,457,795
Change in Net Position of Governmental Activities		$6,995,088

See Accompanying Notes to the Basic Financial Statements

Ashland County
Statement of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues				
Property Taxes	$3,131,000	$3,131,000	$3,257,081	$126,081
Permissive Sales Taxes	7,850,000	8,580,127	8,711,328	131,201
Other Local Taxes	6,000	6,000	7,840	1,840
Charges for Services	2,097,258	2,589,258	2,522,848	(66,410)
Licenses and Permits	2,440	2,440	3,240	800
Fines, Forfeitures, and Settlements	72,300	72,300	70,822	(1,478)
Intergovernmental	1,531,790	1,531,790	1,532,599	809
Interest	150,000	2,150,010	1,813,922	(336,088)
Other	481,622	1,317,495	1,030,203	(287,292)
Total Revenues	15,322,410	19,380,420	18,949,883	(430,537)
Expenditures				
Current:				
General Government				
Legislative and Executive	6,489,996	7,275,584	6,269,128	1,006,456
Judicial	2,350,453	2,651,562	2,311,772	339,790
Public Safety				
Sheriff	6,625,588	7,176,075	6,929,081	246,994
Other	497,180	502,680	282,029	220,651
Public Works	90,725	90,725	87,096	3,629
Health				
Other	246,146	252,629	234,893	17,736
Human Services				
Other	559,234	559,234	418,904	140,330
Conservation and Recreation	30,000	30,000	30,000	0
Intergovernmental	114,040	114,040	114,040	0
Total Expenditures	17,003,362	18,652,529	16,676,943	1,975,586
Excess of Revenues Over (Under) Expenditures	(1,680,952)	727,891	2,272,940	1,545,049
Other Financing Sources (Uses)				
Other Financing Sources	0	0	6,152	6,152
Transfers Out	(885,960)	(905,960)	(203,538)	702,422
Total Other Financing Sources (Uses)	(885,960)	(905,960)	(197,386)	708,574
Changes in Fund Balance	(2,566,912)	(178,069)	2,075,554	2,253,623
Fund Balance Beginning of Year	11,292,744	11,292,744	11,292,744	0
Prior Year Encumbrances Appropriated	222,609	222,609	222,609	0
Fund Balance End of Year	$8,948,441	$11,337,284	$13,590,907	$2,253,623

See Accompanying Notes to the Basic Financial Statements

Ashland County
Statement of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Motor Vehicle and Gasoline Tax Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues				
Other Local Taxes	$195,000	$205,000	$204,124	($876)
Fines, Forfeitures, and Settlements	36,500	55,000	53,948	(1,052)
Intergovernmental	6,650,000	6,650,000	6,583,571	(66,429)
Interest	15,000	15,000	53,598	38,598
Other	59,050	179,000	205,002	26,002
Total Revenues	6,955,550	7,104,000	7,100,243	(3,757)
Expenditures				
Current:				
Public Works				
Engineer	8,511,522	8,511,522	7,151,666	1,359,856
Road and Bridge	100,500	100,500	73,228	27,272
Total Expenditures	8,612,022	8,612,022	7,224,894	1,387,128
Changes in Fund Balance	(1,656,472)	(1,508,022)	(124,651)	1,383,371
Fund Balance Beginning of Year	1,235,835	1,235,835	1,235,835	0
Prior Year Encumbrances Appropriated	412,522	412,522	412,522	0
Fund Balance End of Year	($8,115)	$140,335	$1,523,706	$1,383,371

See Accompanying Notes to the Basic Financial Statements

Ashland County
Statement of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Job and Family Services Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues				
Intergovernmental	$3,000,000	$3,000,000	$2,726,728	($273,272)
Other	82,000	82,000	1,643,746	1,561,746
Total Revenues	3,082,000	3,082,000	4,370,474	1,288,474
Expenditures				
Current:				
Human Services				
Job and Family Services	4,572,000	4,869,000	4,573,142	295,858
Debt Service:				
Principal Retirement	10,000	10,000	10,000	0
Total Expenditures	4,582,000	4,879,000	4,583,142	295,858
Excess of Revenues Under Expenditures	(1,500,000)	(1,797,000)	(212,668)	1,584,332
Other Financing Sources				
Transfers In	1,500,000	1,500,000	80,960	(1,419,040)
Changes in Fund Balance	0	(297,000)	(131,708)	165,292
Fund Balance Beginning of Year	331,075	331,075	331,075	0
Fund Balance End of Year	$331,075	$34,075	$199,367	$165,292

See Accompanying Notes to the Basic Financial Statements

Ashland County
Statement of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Alcohol, Drug Addiction, and Mental Health Services Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues				
Property Taxes	$865,000	$1,165,000	$1,122,484	($42,516)
Intergovernmental	2,930,370	3,430,370	3,291,337	(139,033)
Other	56,031	56,031	132,868	76,837
Total Revenues	3,851,401	4,651,401	4,546,689	(104,712)
Expenditures				
Current:				
Health				
Alcohol, Drug Addiction, and Mental Health Services	4,044,248	5,122,431	5,089,922	32,509
Changes in Fund Balance	(192,847)	(471,030)	(543,233)	(72,203)
Fund Balance Beginning of Year	2,865,754	2,865,754	2,865,754	0
Prior Year Encumbrances Appropriated	213,425	213,425	213,425	0
Fund Balance End of Year	$2,886,332	$2,608,149	$2,535,946	($72,203)

See Accompanying Notes to the Basic Financial Statements

Ashland County
Statement of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Developmental Disabilities Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues				
Property Taxes	$4,508,000	$4,658,000	$4,694,080	$36,080
Intergovernmental	2,230,000	2,730,000	2,595,174	(134,826)
Interest	30,000	62,551	59,371	(3,180)
Other	320,000	320,000	357,865	37,865
Total Revenues	7,088,000	7,770,551	7,706,490	(64,061)
Expenditures				
Current:				
Health				
Developmental Disabilities	7,607,933	8,015,564	7,870,449	145,115
Changes in Fund Balance	(519,933)	(245,013)	(163,959)	81,054
Fund Balance Beginning of Year	6,656,280	6,656,280	6,656,280	0
Fund Balance End of Year	$6,136,347	$6,411,267	$6,492,321	$81,054

See Accompanying Notes to the Basic Financial Statements

Ashland County
Statement of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
American Rescue Plan Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues				
Interest	$0	$237,000	$235,940	($1,060)
Expenditures				
Current:				
General Government				
Judicial	130,146	140,680	130,543	10,137
Public Safety				
Sheriff	189,303	204,624	190,242	14,382
Health				
Other	4,154,160	4,490,381	4,171,375	319,006
Conservation and Recreation	16,433	17,763	16,550	1,213
Capital Outlay	393,725	425,592	395,364	30,228
Intergovernmental	1,689,271	1,825,994	1,696,041	129,953
Total Expenditures	6,573,038	7,105,034	6,600,115	504,919
Changes in Fund Balance	(6,573,038)	(6,868,034)	(6,364,175)	(505,979)
Fund Balance Beginning of Year	840,206	840,206	840,206	0
Prior Year Encumbrances Appropriated	6,273,038	6,273,038	6,273,038	0
Fund Balance End of Year	$540,206	$245,210	$749,069	($505,979)

See Accompanying Notes to the Basic Financial Statements

Ashland County
Statement of Fund Net Position
Enterprise Fund
December 31, 2023

	Landfill
Assets	
Current Assets	
Equity in Pooled Cash and Cash Equivalents	$571,837
Accounts Receivable	39,616
Total Current Assets	611,453
Non-Current Assets	
Restricted Assets:	
Equity in Pooled Cash and Cash Equivalents	602,368
Nondepreciable Capital Assets	61,465
Total Non-Current Assets	663,833
Total Assets	1,275,286
Liabilities	
Current Liabilities	
Accrued Wages Payable	2,600
Accounts Payable	16,377
Due to Other Governments	940
Interfund Payable	386
Postclosure Costs Payable	89,787
Total Current Liabilities	110,090
Non-Current Liabilities	
Postclosure Costs Payable	711,880
Total Liabilities	821,970
Net Position	
Net Invesment in Capital Assets	61,465
Unrestricted	391,851
Total Net Position	$453,316

See Accompanying Notes to the Basic Financial Statements

Ashland County
Statement of Revenues, Expenses,
and Changes in Fund Net Position
Enterprise Fund
For the Year Ended December 31, 2023

	Landfill
Operating Revenues	
Charges for Services	$499,051
Other	11,445
Total Operating Revenues	510,496
Operating Expenses	
Personal Services	72,451
Materials and Supplies	137
Contractual Services	268,774
Other	76,717
Total Operating Expenses	418,079
Operating Income	92,417
Non-Operating Revenues	
Operating Grants	55,861
Net Income	148,278
Net Position Beginning of Year	305,038
Net Position End of Year	$453,316

See Accompanying Notes to the Basic Financial Statements

Ashland County
Statement of Cash Flows
Enterprise Fund
For the Year Ended December 31, 2023

	Landfill
Increase (Decrease) in Cash and Cash Equivalents	
Cash Flows from Operating Activities	
Cash Received from Customers	$496,203
Cash Received from Other Revenues	11,445
Cash Payments for Personal Services	(72,113)
Cash Payments to Suppliers	(137)
Cash Payments for Contractual Services	(336,609)
Cash Payments for Other Expenses	(77,391)
Net Cash Provided by Operating Activities	21,398
Cash Flows from Noncapital Financing Activiies	
Cash Received from Grants	55,861
Net Increase in Cash and Cash Equivalents	77,259
Cash and Cash Equivalents Beginning of Year	1,096,946
Cash and Cash Equivalents End of Year	$1,174,205
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income	$92,417
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
Changes in Assets and Liabilities	
Increase in Accounts Receivable	(2,848)
Increase in Accrued Wages Payable	100
Decrease in Accounts Payable	(13,923)
Increase in Due to Other Governments	70
Increase in Interfund Payable	168
Decrease in Postclosure Costs Payable	(54,586)
Total Adjustments	(71,019)
Net Cash Provided by Operating Activities	$21,398

See Accompanying to the Basic Financial Statements

Ashland County
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2023

	Private Purpose Trust	Custodial
Assets		
Equity in Pooled Cash and Cash Equivalents	$10,868	$4,718,705
Cash and Cash Equivalents in Segregated Accounts	0	1,492,444
Due from Other Governments	0	2,823,435
Accrued Interest Reveivable	51	0
Property Taxes Receivable	0	105,571,554
Special Assessments Receivable	0	796,537
Total Assets	10,919	115,402,675
Liabilities		
Due to Other Governments	0	5,357,600
Deferred Inflows of Resources		
Property Taxes	0	72,978,618
Net Position		
Restricted for Individuals, Organizations, and Other Governments	0	37,066,457
Held in Trust for Children's Services	10,919	0
Total Net Position	$10,919	$37,066,457

See Accompanying Notes to the Basic Financial Statements

Ashland County
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2023

	Private Purpose Trust	Custodial
Additions		
Investment Earnings and Other Interest	$553	$0
Intergovernmental Amounts for Other Governments	0	11,166,071
Amounts Received as Fiscal Agent	0	3,554,089
Licenses, Permits, and Fees for Other Governments	0	10,937,784
Fines and Forfeitures for Other Governments	0	705,461
Property Tax Collections for Other Governments	0	58,656,860
Speical Assessments Collections for Other Governments	0	796,537
Sheriff Sales Collections for Others	0	518,306
Other	0	478,312
Total Additions	553	86,813,420
Deductions		
Human Services		
Children Services	567	0
Distributions to the State of Ohio	0	349,571
Distributions of State Funds to Other Governments	0	10,817,700
Distributions as Fiscal Agent	0	3,982,388
Distributions to Individuals	0	306,572
Licenses, Permits, and Fees Distributions to Other Governments	0	10,829,022
Fines and Forfeitures Distributions to Other Governments	0	647,507
Property Tax Distributions to Other Governments	0	50,081,805
Speical Assessment Distributions to Other Governments	0	803,076
Sheriff Sales Distributions to Others	0	497,391
Total Deductions	567	78,315,032
Changes in Net Position	(14)	8,498,388
Net Position Beginning of Year	10,933	28,568,069
Net Position End of Year	$10,919	$37,066,457

See Accompanying Notes to the Basic Financial Statements

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Note 1 - Reporting Entity

Ashland County, Ohio (the County) was created in 1846. The County is governed by a board of three commissioners elected by the voters of the County. Other officials elected by the voters of the County that manage various segments of the County's operations are the Auditor, Treasurer, Recorder, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Sheriff, a Common Pleas Court Judge, and a Probate/Juvenile Court Judge.

Although the elected officials manage the internal operations of their respective departments, the County Commissioners authorize expenditures as well as serve as the budget and taxing authority, contracting body, and the chief administrators of public services for the entire County.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements of the County are not misleading.

A. Primary Government

The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the County. For Ashland County, this includes the Ashland County Board of Developmental Disabilities (DD), Mental Health and Recovery Board of Ashland County, Children Services Board, and departments and activities that are directly operated by the elected County officials.

B. Component Units

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organization; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the County in that the County approves the budget, the issuance of debt, or the levying of taxes, and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the County.

Discretely Presented Component Unit

Ashland County Land Reutilization Corporation - The Ashland County Land Reutilization Corporation (Land Bank) was formed on September 21, 2017, when the Ashland County Commissioners authorized the incorporation of the Land Bank under Chapters 1724 and 1702 of the Ohio Revised Code through a resolution as a not-for-profit corporation under the laws of the State of Ohio. The purpose of the Land Bank is to strengthen neighborhoods in the County by returning vacant and abandoned properties to productive use. The Land Bank has been designated as the County's agent to further its mission to reclaim, rehabilitate, and reutilize vacant, abandoned, tax-foreclosed, or other real property in the County by exercising the powers of the County under Chapter 5722 of the Ohio Revised Code.

Note 1 - Reporting Entity (continued)

The Land Bank is governed by a seven member Board of Directors consisting of two County Commissioners, the County Treasurer, one representative from the City of Ashland, one representative from the Village of Loudonville, and two representatives selected by the statutory directors. The Board of Directors has the authority to make, prescribe, and enforce all rules and regulations for the conduct of all business and affairs of the Land Bank and the management and control of its properties. Because the County makes up and/or appoints a voting majority of the Board of Directors, the County is able to impose its will on the operation of the Land Bank and the relationship between the primary government and the organization is such that exclusion would cause the County's financial statements to be misleading. However, the Land Bank has had no material financial activity since its inception and, as a result, no financial information is currently being presented.

As custodian of public funds, the County Treasurer invests all public monies held on deposit in the County treasury. In the case of the separate organizations listed below, the County serves as fiscal agent, but the organizations are not considered part of Ashland County. Accordingly, the activity of the following organizations is reported as custodial funds within the financial statements:

Ashland County Soil and Water Conservation District
Ashland City-County Health Department
Local Emergency Planning Commission
Ashland County Family and Children First Council
Ashland County Park District

The County participates in several jointly governed organizations and insurance pools, and is associated with a related organization. These organizations are presented in Notes 21, 22, and 23 to the basic financial statements. These organizations are:

Northern Ohio Juvenile Community Corrections Facility
Ashland Community Improvement Corporation (CIC)
Ashland Area Council for Economic Development
County Risk Sharing Authority, Inc. (CORSA)
County Commissioners Association of Ohio Service Corporation (CCAOSC)
County Employee Benefits Consortium of Ohio, Inc. (CEBCO)
Ashland County Airport Authority

Note 2 - Summary of Significant Accounting Policies

The financial statements of Ashland County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following are the more significant of the County's accounting policies.

Note 2 - Summary of Significant Accounting Policies (continued)

A. Basis of Presentation

The County's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the County that are governmental in nature and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activity of the County at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities and business-type activity. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements

During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

B. Fund Accounting

The County uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the County are presented in three categories; governmental, proprietary, and fiduciary.

Note 2 - Summary of Significant Accounting Policies (continued)

Governmental Funds

Governmental funds are those through which most governmental functions of the County are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities and deferred inflows of resources is reported as fund balance. The following are the County's major governmental funds:

General - The General Fund accounts for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of Ohio.

Motor Vehicle and Gasoline Tax - This fund accounts for monies derived from gasoline taxes and the sale of motor vehicle licenses. Expenditures are restricted by State law to county road and bridge repair/improvement programs.

Job and Family Services - This fund accounts for federal, state, and local monies restricted to providing general relief and to pay providers of medical assistance and social services.

Alcohol, Drug Addiction, and Mental Health Services - This fund accounts for a county-wide property tax levy and federal and state grants restricted to paying the costs of contracts with local mental health agencies that provide services to the public.

Developmental Disabilities - This fund accounts for a county-wide property tax levy and federal and state grants restricted for the operation of a school for the developmentally disabled.

American Rescue Plan - This fund accounts for resources received from the American Rescue Plan Act and restricted for pandemic relief.

The other governmental funds of the County account for grants and other resources whose use is restricted, committed, or assigned for a particular purpose.

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows.

Enterprise Funds - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following is the County's major enterprise fund:

Note 2 - Summary of Significant Accounting Policies (continued)

Landfill - This fund accounts for ongoing postclosure activities at the landfill, which closed in 1997. In addition, the fund receives a remittance on the fees collected by the landfill in Richland County for the dumping of Ashland County waste.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) trust funds, investment trust funds, private purpose trust funds, and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

The County's fiduciary funds are a private purpose trust fund and custodial funds. The County's private purpose trust fund accounts for financial assistance to children in foster care. Custodial funds are used to account for assets held by the County as fiscal agent for the Board of Health and other districts and entities; for various taxes, assessments, fines and fees collected for the benefit of and distributed to other governments; and for State shared resources received from the State and distributed to other local governments.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the County are included on the statement of net position. The statement of activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the fund financial statements for governmental funds.

Like the government-wide financial statements, the enterprise funds and fiduciary funds are accounted for using a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of fund net position. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

Note 2 - Summary of Significant Accounting Policies (continued)

For the enterprise funds, the statement of revenues, expenses, and changes in fund net position presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position. The statement of cash flows reflects how the County finances and meets the cash flow needs of its enterprise activities.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from the private purpose trust fund and the custodial funds.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; enterprise funds and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows and deferred inflows of resources, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Nonexchange Transactions

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the County, available means expected to be received within thirty-one days after year end.

Nonexchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, sales taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from sales taxes is recognized in the year in which the sales are made. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the County must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered both measurable and available at year end: sales taxes, charges for services, fines and forfeitures, state-levied locally shared taxes (including gasoline tax and motor vehicle license fees), grants, and investment earnings and other interest.

Unearned revenue represents amounts under the accrual and modified accrual basis of accounting for which asset recognition criteria have been met but for which revenue recognition criteria have not yet been met because these amounts have not yet been earned.

Note 2 - Summary of Significant Accounting Policies (continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that time. For the County, deferred outflows of resources are reported on the government-wide statement of net position for pension/OPEB and explained in Notes 14 and 15 to the basic financial statements.

In addition to liabilities, the statement of financial position may report deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized until that time. For the County, deferred inflows of resources include property taxes, unavailable revenue, pension, and OPEB. Property taxes represent amounts for which there was an enforceable legal claim as of December 31, 2023, but which were levied to finance 2024 operations. These amounts have been recorded as deferred inflows of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental fund balance sheet and represents receivables which will not be collected within the available period. For the County, unavailable revenue includes accrued interest, permissive sales taxes, intergovernmental revenue including grants, interfund, delinquent property taxes, and other sources. These amounts are deferred and recognized as inflows of resources in the period when the amounts become available. For further details on unavailable revenue, refer to the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities on page 19. Deferred inflows of resources related to pension/OPEB are reported on the government-wide statement of net position and explained in Notes 14 and 15 to the basic financial statements.

Expenses/Expenditures

On the accrual basis, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

E. Budgetary Process

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the certificate of estimated resources and the appropriations resolution, both of which are prepared on the budgetary basis of accounting. The certificate of estimated resources establishes a limit on the amount the County Commissioners may appropriate. The appropriations resolution is the County Commissioners' authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the County Commissioners. The legal level of control has been established by the County Commissioners at the fund, department, and object level for all funds.

Note 2 - Summary of Significant Accounting Policies (continued)

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the County Auditor. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by County Commissioners.

The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriations resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the County Commissioners during the year.

F. Cash and Investments

To improve cash management, cash received by the County is pooled and invested. Individual fund integrity is maintained through County records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

Cash and cash equivalents that are held separately within departments of the County are recorded as "Cash and Cash Equivalents in Segregated Accounts".

During 2023, the County invested in nonnegotiable certificates of deposit, mutual funds, federal agency securities, and Star Ohio. Investments are reported at fair value, except for nonnegotiable certificates of deposit which are reported at cost. Fair value is based on quoted market prices or current share price. Star Ohio (the State Treasury Asset Reserve of Ohio) is an investment pool, managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. Star Ohio is not registered with the SEC as an investment company but has adopted Governmental Accounting Standards Board Statement No. 79, "Certain External Investment Pools and Pool Participants". The County measures the investment in Star Ohio at the net asset value (NAV) per share provided by Star Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV that approximates fair value.

For 2023, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice for deposits and withdrawals exceeding $100 million or more is appreciated. Star Ohio reserves the right to limit the transaction to $250 million per day.

Under existing Ohio statutes, all investment earnings and other interest revenue are assigned to the general fund unless statutorily required to be credited to a specific fund. Investment earnings and other interest revenue credited to the general fund during 2023 amounted to $2,271,426, which includes $1,473,746 assigned from other County funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

Note 2 - Summary of Significant Accounting Policies (continued)

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2023, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

H. Inventory

With the exception of the Motor Vehicle and Gasoline Tax special revenue fund, all inventory of the County is presented at cost on a first-in, first-out basis and is expended/expensed when used. Inventory in the Motor Vehicle and Gasoline Tax special revenue fund is based on average cost. Inventory consists of expendable supplies held for consumption.

I. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. Restricted assets in the General fund represent money set aside for unclaimed monies. Monies required to be set aside for postclosure costs at the landfill are also reported as restricted in the Landfill fund.

J. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column on the government-wide statement of net position but are not reported on the fund financial statements. Capital assets used by the enterprise funds are reported in both the business-type activities column on the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The County was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e. estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price level index to deflate the cost to the acquisition year or estimated acquisition year). The County maintains a capitalization threshold of fifteen thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not capitalized.

All capital assets are depreciated, except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County’s historical records of necessary improvements and replacement. The County reports all infrastructure, including that acquired prior to 1980.

Note 2 - Summary of Significant Accounting Policies (continued)

Depreciation is computed using the straight-line method over the following useful lives:

	Governmental Activities
Land Improvements	20-50 years
Buildings	40-125 years
Building Improvements	20-50 years
Roads	10-50 years
Bridges	50 years
Equipment	5-25 years
Vehicles	5-20 years

K. Interfund Receivables/Payables

On fund financial statements, outstanding interfund loans and unpaid amounts for internal services provided are reported as “Interfund Receivables/Payables”. Interfund balances are eliminated on the statement of net position, except for any net residual amounts due between governmental and business-type activities. These amounts are presented as “Internal Balances”.

L. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable the County will compensate the employees for the benefits through paid time off or some other means. The County records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for sick leave is made to the extent it is probable that benefits will result in termination payments. The liability is an estimate based on the County’s past experience of making termination payments. Accumulated unused sick leave is paid to employees who retire at various rates depending on length of service and department policy.

The entire compensated absences liability is reported on the government-wide financial statements.

On the governmental funds financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account “Matured Compensated Absences Payable” in the fund from which the employes who have accumulated unpaid leave are paid.

Note 2 - Summary of Significant Accounting Policies (continued)

M. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from the enterprise fund are reported on the enterprise fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, compensated absences that will be paid from governmental funds are reported as a liability on the fund financial statements only to the extent that they are due for payment during the current year. Net pension/OPEB liabilities should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

N. Net Position

Net position represents the difference between all other elements on the statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The County applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. Restricted net position for pension and OPEB plans represent the corresponding restricted asset amount held in trust by the pension and OPEB plans for future benefits.

O. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources in governmental funds. The classifications are as follows:

Nonspendable - The nonspendable classification includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. The "not in spendable form" includes items that are not expected to be converted to cash.

Restricted - The restricted classification includes amounts restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (County resolutions).

Enabling legislation authorizes the County to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the County can be compelled by an external party such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for purposes specified by the legislation.

Note 2 - Summary of Significant Accounting Policies (continued)

Committed - The committed classification includes amounts that can be used only for the specific purposes determined by a formal action (resolution) of the County Commissioners. The committed amounts cannot be used for any other purpose unless the County Commissioners remove or change the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the County Commissioners, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. Assigned amounts represent intended uses established by the County Commissioners. Fund balance policy of the County Commissioners authorizes department managers to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The County Commissioners have also assigned fund balance to cover a gap between estimated resources and appropriations in the 2024 budget. Certain resources have also been assigned for document recording and operations of the sheriff.

Unassigned - Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The County first applies restricted resources when an expenditure is incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used.

P. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise funds. For the County, these revenues are charges for services. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. All revenues and expenses not meeting these definitions are reported as nonoperating.

Q. Capital Contributions

Capital contributions arise from contributions of capital assets from outside sources.

R. Interfund Transactions

Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general revenues.

Note 2 - Summary of Significant Accounting Policies (continued)

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

S. Pension/Other Postemployment Benefits

For purposes of measuring the net pension/OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to pension/OPEB, pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans, and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The retirement systems report investments at fair value.

T. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 3 - Change in Accounting Principles

For 2023, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 94, “Public-Private and Public-Public Partnerships and Availability Payment Arrangements”, GASB Statement No. 96, “Subscription-Based Information Technology Arrangements”, and GASB Statement No.99, “Omnibus 2022”.

GASB Statement No. 94 improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The County did not have any arrangements that met the GASB 94 definition of a PPP or an APA.

GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The County did not have any contracts that met GASB Statement No. 96 definition of a SBITA, other than short-term SBITAs.

Note 3 - Change in Accounting Principles (continued)

GASB Statement No. 99 addresses various issues including items related to leases, PPPs, and SBITAs. The requirements related to PPPs and SBITAs were incorporated with the corresponding GASB 94 and GASB 96 changes identified above.

For 2023, the County also implemented the guidance in GASB's Implementation Guide No. 2021-1, "Implementation Guidance Update-2021" (other than question 5.1).

Note 4 - Accountability and Compliance

A. Accountability

The Childrens' Services Special Revenue fund had a deficit fund balance of $159,241 for the year ended December 31, 2023.

This deficit is the result of the recognition of payables in accordance with generally accepted accounting principles as well as short-term interfund loans from the General Fund needed for operations until the receipt of grant monies. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

B. Compliance

At December 31, 2023, the Motor Vehicle and Gasoline Tax special revenue fund had appropriations in excess of estimated resources plus available balances for the original budget, in the amount of $8,115. The County Auditor will review appropriations to ensure they are within available resources.

Note 5 - Budgetary Basis of Accounting

While reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statements of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual for the General Fund; and the Motor Vehicle and Gasoline Tax; Job and Family Services; Alcohol, Drug Addiction, and Mental Health Services; Developmental Disabilities; and American Rescue Plan special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and the GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).

2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

Note 5 - Budgetary Basis of Accounting (continued)

3. Outstanding year end encumbrances are treated as expenditures (budget basis) rather than restricted, committed, or assigned fund balance (GAAP basis).

4. Unrecorded cash represents amounts received but not reported by the County on the operating statements (budget), but which is reported on the GAAP basis operating statements.

Adjustments necessary to convert the results of operations for the year on the GAAP basis to the budget basis are as follows:

Changes in Fund Balance

	General	Motor Vehicle and Gasoline Tax	Job and Family Services	Alcohol, Drug Addiction, and Mental Health Services	Developmental Disabilities	American Rescue Plan
GAAP Basis	$2,606,724	$468,723	($99,128)	$51,913	($168,820)	$0
Increase (Decrease) Due To						
Revenue Accruals						
Accrued 2022, Received in Cash 2023	994,466	510,370	763,113	30,425	27,031	(5,993,245)
Accrued 2023, Not Yet Received in Cash	(980,911)	(449,135)	(825,311)	(192,380)	(26,268)	3,265,698
Expenditure Accruals						
Accrued 2022, Paid in Cash 2023	(513,561)	(513,051)	(163,685)	(193,441)	(243,892)	(1,119,999)
Accrued 2023, Not Yet Paid in Cash	624,221	125,864	193,926	303,431	218,257	103,561
Cash Adjustments						
Unrecorded Activity 2022	149,944	22,303	24,403	30,435	135,554	0
Unrecorded Activity 2023	(633,676)	(24,595)	(25,763)	(24,599)	(99,220)	0
Prepaid Items	(37,442)	0	0	0	0	0
Materials and Supplies Inventory	(9,818)	(85,392)	737	0	245	0
Encumbrances Outstanding at Year End (Budget Basis)	(124,393)	(179,738)	0	(549,017)	(6,846)	(2,620,190)
Budget Basis	$2,075,554	($124,651)	($131,708)	($543,233)	($163,959)	($6,364,175)

Note 6 - Deposits and Investments

Monies held by the County are classified by State statute into two categories. Active monies are public monies determined to be necessary to meet current demands upon the County treasury. Active monies must be maintained either as cash in the County treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Monies held by the County, which are not considered active, are classified as inactive. Inactive monies may be deposited or invested in the following securities provided a written investment policy has been filed with the Ohio Auditor of State:

Note 6 - Deposits and Investments (continued)

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States, or any book entry zero-coupon United States treasury security that is a direct obligation of the United States;

2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;

4. Bonds and other obligations of the State of Ohio or its political subdivisions provided the bonds or other obligations of political subdivisions mature within ten years from the date of settlement;

5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts in eligible institutions pursuant to Ohio Revised Code Section 135.32;

6. No-load money market mutual funds rated in the highest category at the time of purchase by at least one nationally recognized standard rating service or consisting exclusively of obligations described in division (1) or (2) above; commercial paper as described in Ohio Revised Code Section 135.143(6); and repurchase agreements secured by such obligations provided these investments are made only through eligible institutions;

7. The State Treasurer's investment pool (STAR Ohio);

8. Securities lending agreements in which the County lends securities and the eligible institution agrees to simultaneously exchange either securities or cash, equal value for equal value, within certain limitations;

9. Up to forty percent of the County's average portfolio in either of the following if training requirements have been met:
    a. commercial paper notes in entities incorporated under the laws of Ohio or any other State that have assets exceeding five hundred million dollars, which are rated in the highest classification established by two nationally recognized standard rating services, which do not exceed 10 percent of the value of the outstanding commercial paper of the issuing corporation, which mature within two hundred seventy days after purchase, and the investment in commercial paper notes of a single issuer shall not exceed the aggregate of 5 percent of interim monies available for investment at the time of purchase;

    b. bankers acceptances that are insured by the federal deposit insurance corporation and which mature not later than one hundred eighty days after purchase;

Note 6 - Deposits and Investments (continued)

10. Up to 15 percent of the County's average portfolio in notes issued by United States corporations or by depository institutions that are doing business under authority granted by the United States provided the notes are rated in the three highest categories by at least two nationally recognized standard rating services at the time of purchase and the notes mature not later than three years after purchase;

11. A current unpaid or delinquent tax line of credit provided certain conditions are met related to a County land reutilization corporation organized under Ohio Revised Code Chapter 1724; and,

12. Up to 2 percent of the County's average portfolio in debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and issued by foreign nations diplomatically recognized by the United States government subject to certain limitations. All interest and principal shall be denominated and payable in United States funds.

Investments in stripped principal or interest obligations that are not issued or guaranteed by the United States, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. Except as noted above, all investments must mature within five years from the date of settlement, unless matched to a specific obligation or debt of the County, and must be purchased with the expectation that they will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the County will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2023, $185,222 of the County's total bank balance of $4,767,177 was exposed to custodial credit risk as those deposits were uninsured and uncollateralized. Four of the County's financial institutions participating in the Ohio Pooled Collateral System (OPCS) were approved for a reduced collateral floor of 50 percent that resulted in a portion of the uninsured and uncollateralized balance.

The County has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or be protected by eligible securities pledged to the County and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured or by participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

Note 6 - Deposits and Investments (continued)

Investments

As of December 31, 2023, the County had the following investments:

Measurement/Investment	Measurement Amount	Less Than Six Months	Six Months to One Year	One Year To Two Years	More Than Two Years
Fair Value - Level One Inputs					
Mutual Funds	$16,533	$16,533	$0	$0	$0
Fair Value - Level Two Inputs					
Federal Farm Credit Bank Notes	2,979,210	1,970,845	0	0	1,008,365
Federal Home Loan Bank Notes	5,870,950	1,976,900	1,936,160	1,957,890	0
Federal Home Loan Mortgage Corporation Notes	3,983,815	0	997,335	1,986,590	999,890
Federal National Mortgage Corporation Notes	1,004,440	0	499,580	0	504,860
Total Fair Value - Level Two Inputs	13,838,415	3,947,745	3,433,075	3,944,480	2,513,115
Net Value Per Share STAR Ohio	28,879,860	28,879,860	0	0	0
Total Investments	$42,734,808	$32,844,138	$3,433,075	$3,944,480	$2,513,115

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the County's recurring fair value measurements as of December 31, 2023. The County's investment in mutual funds measured at fair value is valued using quoted market prices (Level 1 inputs). The County's remaining investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/ dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored which could require the need to acquire further market data (Level 2 inputs).

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment policy restricts the Treasurer from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless they are matched to a specific obligation or debt of the County. The investment policy also requires a minimum of 20 percent of the County's portfolio to mature in less than thirty days and no more than 30 percent may be invested beyond twelve months.

Note 6 - Deposits and Investments (continued)

The mutual funds, Federal Farm Credit Bank Notes, Federal Home Loan Bank Notes, Federal Home Loan Mortgage Corporation Notes, and Federal National Mortgage Corporation Notes carry a rating of Aaa by Moody's. STAR Ohio carries a rating of AAAm by Standard and Poor's. The County has no investment policy dealing with credit risk beyond the requirements of State statute. Ohio law requires that mutual funds must be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized statistical rating organization.

The County places no limit on the amount of its inactive monies it may invest in a particular security. The following table indicates the percentage of each investment to the County's total portfolio.

	Fair Value	Percentage of Portfolio
Federal Farm Credit Bank	$2,979,210	6.97%
Federal Home Loan Bank	5,870,950	13.74
Federal Home Loan Mortgage Corporation	3,983,815	9.32
Federal National Mortgage Corporation	1,004,440	2.35

Note 7 - Receivables

Receivables at December 31, 2023, consisted of accounts (e.g., billings for user charged services, including unbilled charges and Opioid settlement monies); accrued interest; permissive sales taxes; other local taxes; intergovernmental receivables arising from grants, entitlements and shared revenues; interfund; and property taxes. All receivables are considered fully collectible within one year, except for settlements and property taxes. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Opioid Settlement Monies

During 2021, Ohio reached an agreement with the three largest distributors of opioids. Subsequently, settlements have been reached with other distributors. As contingencies related to timing and measurement are resolved, a receivable will be reported in accompanying financial statements as a part of accounts receivable. As a participating subdivision, the County reported $414,519 as an account receivable related to opioid settlement monies in the OneOhio Opioid Settlement special revenue fund in the accompanying financial statements. Collections of these settlement monies are expected to extend through 2038 with $47,100 expected to be collected in 2024.

Note 7 - Receivables (continued)

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities	
Major Funds	
General Fund	
Local Government	$377,156
Casino Tax	181,488
Public Defender Grant	123,343
Black River Local School District	495
Hillsdale Local School District	480
Mapleton Local School District	530
Ohio Bureau of Workers' Compensation	5,093
Ohio Department of Job and Family Services	1,646
Homestead and Rollback	241,282
Total General Fund	931,513
Motor Vehicle and Gasoline Tax	
Gasoline Tax	1,877,892
Motor Vehicle License Fees	1,052,376
Village of Perrysville	711
Total Motor Vehicle and Gasoline Tax	2,930,979
Job and Family Services	
Public Assistance Grant	452,801
Alcohol, Drug Addictions, and Mental Health Services	
Block Grant	55,574
Whole Child Matters	11,872
Title XX	845
State Opioid Response	124,089
Homestead and Rollback	56,517
Total Alcohol, Drug Addictions, and Mental Health Services	248,897
Developmental Disabilities	
Wayne County Board of Developmental Disabilities	44,309
DMR-Medicaid Reimbursement	45,581
Ashland City School District	5,213
Crestview Local School District	4,849
Loudenville Perrysville Local School District	3,290
Homestead and Rollback	220,366
Total Developmental Disabilities	323,608
Total Major Funds	4,887,798

(continued)

Note 7 - Receivables (continued)

	Amount
Governmental (continued)	
Nonmajor Funds	
Victims of Crime	
Victims of Crime Grant	$3,356
Children Services	
Homestead and Rollback	10,812
Foster Care Reimbursement	73,346
Child Support Enforcement Agency	
Child Support Enforcement	75,264
Workforce Investment Act	
Workforce Investment Act	10,480
Senior Citizens Services	
Homestead and Rollback	10,812
Felony Delinquent Care	
RECLAIM Grant	68,690
Community Corrections	
Community Corrections Grant	53,064
Capital Projects	
Casino Tax	181,488
Total Nonmajor Funds	487,312
Total Governmental Activities	$5,375,110
Custodial Funds	
Local Government	1,536,492
Gasoline Tax	1,046,006
Motor Vehicle License Fees	231,206
Permissive Motor Vehicle License Tax	9,731
Total Custodial Funds	$2,823,435

Note 8 - Permissive Sales and Use Tax

The County Commissioners, by resolution, imposed a 1.25 percent tax on all retail sales made in the County, except sales of motor vehicles, and on the storage, use, or consumption of tangible personal property in the County, including motor vehicles not subject to the sales tax. The allocation of the sales tax is 1 percent to the County's General Fund and .25 percent for the operations of the County Jail. Vendor collections of the tax are paid to the State Treasurer by the twenty-third day of the month following collection. The State Tax Commissioner certifies the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within forty-five days after the end of each month.

Note 9 - Property Taxes

Property taxes include amounts levied against all real and public utility property located in the County. Real property tax revenues received in 2023 represent the collection of 2022 taxes. Real property taxes received in 2023 were levied after October 1, 2022, on the assessed values as of January 1, 2022, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in 2023 represent the collection of 2022 taxes. Public utility personal property taxes received in 2023 became a lien on December 31, 2021, were levied after October 1, 2022, and are collected with real property taxes.

The County Treasurer collects property taxes on behalf of all taxing districts within the County. The County Auditor periodically remits to the taxing districts their portion of the taxes collected. The collection and distribution of taxes for all subdivisions within the County, excluding the County itself, is accounted for through custodial funds. The amount of the County's tax collections is accounted for within the applicable funds.

Accrued property taxes receivable represents real, public utility, and outstanding delinquent property taxes which were measurable as of December 31, 2023, and for which there was an enforceable legal claim. In the governmental funds, the portion of the receivable not levied to finance 2023 operations is offset to deferred inflows of resources - property taxes. On the accrual basis, delinquent real property taxes have been recorded as a receivable and revenue; on the modified accrual basis, the revenue has been reported as deferred inflows of resources - unavailable revenue.

The full tax rate for all County operations for the year ended December 31, 2023, was $10.95 per $1,000 of assessed value. The assessed values of real and public utility property upon which 2023 property tax receipts were based are as follows:

Real Property	
Residential	$1,105,186,420
Agriculture	228,490,300
Commercial/Industrial/Mineral	199,036,500
Public Utility Property	
Personal	357,858,770
Total Assessed Value	$1,890,571,990

Note 10 - Capital Assets

Capital asset activity for the year ended December 31, 2023, was as follows:

	Balance December 31, 2022	Additions	Reductions	Balance December 31, 2023
Governmental Activities				
Nondepreciable Capital Assets				
Land	$901,297	$150,486	($62,760)	$989,023
Construction in Progress	2,515,274	4,776,844	(5,271,773)	2,020,345
Total Nondepreciable Capital Assets	3,416,571	4,927,330	(5,334,533)	3,009,368
Depreciable Capital Assets				
Land Improvements	491,545	516,609	(83,240)	924,914
Buildings	20,718,395	3,421,985	0	24,140,380
Building Improvements	2,663,104	633,084	0	3,296,188
Roads	55,082,741	1,509,431	(1,016,309)	55,575,863
Bridges	17,771,843	1,432,091	(334,709)	18,869,225
Equipment	5,963,075	409,488	0	6,372,563
Vehicles	5,110,960	586,837	0	5,697,797
Total Depreciable Capital Assets	107,801,663	8,509,525	(1,434,258)	114,876,930
Less Accumulated Depreciation for				
Land Improvements	(209,555)	(43,066)	12,486	(240,135)
Buildings	(11,281,519)	(497,903)	0	(11,779,422)
Building Improvements	(1,095,979)	(112,237)	0	(1,208,216)
Roads	(47,036,113)	(1,376,425)	750,605	(47,661,933)
Bridges	(10,354,271)	(377,378)	287,842	(10,443,807)
Equipment	(2,998,069)	(288,241)	0	(3,286,310)
Vehicles	(2,986,512)	(286,021)	0	(3,272,533)
Total Accumulated Depreciation	(75,962,018)	(2,981,271)	1,050,933	(77,892,356)
Total Depreciable Capital Assets, Net	31,839,645	5,528,254	(383,325)	36,984,574
Governmental Activities Capital Assets, Net	$35,256,216	$10,455,584	($5,717,858)	$39,993,942

During 2023, the governmental activities accepted a contribution of capital assets from outside sources in the amount of $32,151.

	Balance December 31, 2022	Additions	Reductions	Balance December 31, 2023
Business-Type Activities				
Nondepreciable Capital Assets				
Land	$61,465	$0	$0	$61,465

Note 10 - Capital Assets (continued)

Depreciation expense was charged to governmental functions as follows:

Governmental Activities	
General Government	
Legislative and Executive	$181,024
Judicial	7,357
Public Safety	
Sheriff	589,569
Public Works	1,980,123
Health	
Alcohol, Drug Addiction, and Mental Health Services	9,063
Developmental Disabilities	55,270
Other	80,361
Human Services	
Job and Family Services	55,296
Other	9,828
Conservation and Recreation	13,380
Total Depreciation Expense - Governmental Activities	$2,981,271

Note 11 - Interfund Receivables/Payables

Interfund balances at December 31, 2023, consisted of the following receivables and payables:

Due to General Fund from:	
Motor Vehicle and Gasoline Tax	$10,187
Job and Family Services	25,008
Alcohol, Drug Addiction, and Mental Health Services	1,574
Developmental Disabilities	30,604
Other Governmental Funds	28,826
Landfill	386
Total General Fund	$96,585
Due to Motor Vehicle and Gasoline Tax Fund from:	
General Fund	$572
Due to Job and Family Services Fund from:	
Other Governmental Funds	$446,357
Due to Other Governmental Funds from:	
Other Governmental Funds	$29,885

Note 11 - Interfund Receivables/Payables (continued)

The amounts due to the General Fund were for services provided to the Motor Vehicle and Gasoline Tax Fund; Job and Family Services Fund; Alcohol, Drug Addiction, and Mental Health Services Fund; Developmental Disabilities Fund; other governmental funds; and the Landfill Fund. These amounts are expected to be received within one year.

The amount due to the Motor Vehicle and Gasoline Tax Fund was for services provided. This amount is expected to be received within one year.

The amount due to the Job and Family Services Fund was for services provided. This amount is expected to be received within one year.

The amount due to other governmental funds from other governmental funds was for services provided. This amount is expected to be received within one year.

Note 12 - Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2023, the County contracted with the County Risk Sharing Authority, Inc. (CORSA) for insurance coverage. The CORSA program has a $2,500 deductible. Coverage provided by CORSA is as follows:

General Liability	$1,000,000
Excess Liability	9,000,000
Law Enforcement Professional Liability	1,000,000
Public Officials Errors and Omissions Liability	1,000,000
Automobile Liability	1,000,000
Uninsured Motorists Liability	250,000
Cyber Liability	1,000,000
Building and Contents	121,467,643
Other Property Insurance	
Flood and Earthquake	125,000,000
Comprehensive Boiler and Machinery	100,000,000
Crime Insurance	
Faithful Performance	1,000,000
Money and Securities	1,000,000
Depositor's Forgery	1,000,000
Money Order and Counterfeit Paper	1,000,000

With the exceptions of medical and dental coverage for Developmental Disabilities employees and workers' compensation, insurance is held with CORSA. There has been no significant reduction in insurance coverage from 2021 and settled claims have not exceeded this coverage in the past three years. The County pays all elected officials' bonds by statute.

Note 12 - Risk Management (continued)

For 2023, the County participated in the County Commissioners Association of Ohio Service Corporation, a workers' compensation group rating plan (Plan). The Plan is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for the participants. The workers' compensation experience of the participating counties is calculated as one experience and a common premium rate is applied to all counties in the Plan. Each county pays its workers' compensation premium to the State based on the rate for the Plan rather than the county's individual rate.

In order to allocate the savings derived by the formation of the Plan, and to maximize the number of participants in the Plan, the Plan's executive committee annually calculates the total savings which accrued to the Plan through its formation. This savings is then compared to the overall savings percentage of the Plan. The Plan's executive committee then collects rate contributions from or pays rate equalization rebates to the various participants. Participation in the Plan is limited to counties that can meet the Plan's selection criteria. The firm of Comp Management, Inc., provides administrative, cost control, and actuarial services to the Plan. Each year, the County pays an enrollment fee to the Plan to cover the costs of administering the program.

The County may withdraw from the Plan if written notice is provided sixty days prior to the prescribed application deadline of the Ohio Bureau of Workers' Compensation. However, the County is not relieved of the obligation to pay any amounts owed to the Plan prior to withdrawal, and any county leaving the Plan allows the representative of the Plan to access loss experience for three years following the last year of participation.

Note 13 - Significant Commitments

The County has several outstanding contracts for professional services. The following amounts remain on these contracts as of December 31, 2023:

Vendor	Contract Amount	Amount Paid as of 12/31/23	Outstanding Balance
Advanced Concepts	$329,250	$238,415	$90,835
Woolpert	536,306	22,496	513,810

At year end, the significant encumbrances expected to be honored upon performance by the vendor in 2024 are as follows:

General Fund	$124,393
Motor Vehicle and Gasoline Tax Fund	179,738
Alcohol, Drug Addiction, and Mental Health Services Fund	549,017
Developmental Disabilities	6,846
American Rescue Plan	2,620,190
Other Governmental Funds	687,824
	$4,168,008

Note 14 - Defined Benefit Pension Plans

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability (Asset)/Net OPEB Liability (Asset)

The net pension liability (asset) and the net OPEB liability (asset) reported on the statement of net position represent liabilities to employees for pensions and OPEB, respectively. Pensions/OPEB are a component of exchange transactions-–between an employer and its employees—of salaries and benefits for employee services. Pensions/OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension/OPEB liability (asset) represent the County's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB liability (asset) calculations are dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

Ohio Revised Code limits the County's obligation for this liability to annually required payments. The County cannot control benefit terms or the manner in which pensions are financed; however, the County does receive the benefit of employees' services in exchange for compensation including pension and OPEB.

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a *net pension asset/OPEB asset* or a long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable.* The remainder of this note includes the required pension disclosures. See Note 15 for the required OPEB disclosures.

Note 14 - Defined Benefit Pension Plans (continued)

Ohio Public Employees Retirement System (OPERS)

Plan Description - County employees, other than certified teachers, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting https://www.opers.org/financial/reports.shtml, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

Note 14 - Defined Benefit Pension Plans (continued)

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	**Group B** 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	**Group C** Members not in other Groups and members hired on or after January 7, 2013
State and Local	**State and Local**	**State and Local**
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Traditional Plan Formula:** 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Traditional Plan Formula:** 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	**Combined Plan Formula:** 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	**Combined Plan Formula:** 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35
Public Safety	**Public Safety**	**Public Safety**
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	**Age and Service Requirements:** Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	**Age and Service Requirements:** Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
Law Enforcement	**Law Enforcement**	**Law Enforcement**
Age and Service Requirements: Age 52 with 15 years of service credit	**Age and Service Requirements:** Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	**Age and Service Requirements:** Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
Public Safety and Law Enforcement	**Public Safety and Law Enforcement**	**Public Safety and Law Enforcement**
Traditional Plan Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	**Traditional Plan Formula:** 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	**Traditional Plan Formula:** 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests upon receipt of the initial benefit payment. The options for Public Safety and Law Enforcement permit early retirement under qualifying circumstances as early as age 48 with a reduced benefit.

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost–of–living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Note 14 - Defined Benefit Pension Plans (continued)

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local			
	Traditional	Combined	Public Safety	Law Enforcement
2023 Statutory Maximum Contribution Rates				
Employer	14.0 %	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	10.0 %	**	***
2023 Actual Contribution Rates				
Employer				
Pension	13.0 %	13.0 %	17.1 %	17.1 %
Post-employment Health Care Benefits ****	1.0	1.0	1.0	1.0
Total Employer	14.0 %	14.0 %	18.1 %	18.1 %

Note 14 - Defined Benefit Pension Plans (continued)

	State and Local (continued)			
Employer:				
Pension ****	14.0 %	12.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits ****	0.0	2.0	0.0	0.0
Total Employer	14.0 %	14.0 %	18.1 %	18.1 %
Employee	10.0 %	10.0 %	12.0 %	13.0 %

* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

** This rate is determined by OPERS' Board and has no maximum rate established by ORC.

*** This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.

**** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension; however, effective July 1, 2022, a portion of the health care rate is funded with reserves.

Employer contribution rates are actuarially determined within the constraints of statutory limits for each division and expressed as a percentage of covered payroll.

For 2023, the County's contractually required contribution was $2,327,937 for the traditional plan, $24,182 for the combined plan and $60,276 for the member-directed plan. Of these amounts, $310,914 is reported as an intergovernmental payable for the traditional plan, $3,083 for the combined plan, and $7,672 for the member-directed plan.

Plan Description - State Teachers Retirement System (STRS)

Plan Description - Teachers employed by the Board of Developmental Disabilities participate in STRS Ohio, a cost-sharing multiple employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information, and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at www.strsoh.org.

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan, and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307.

<u>Note 14 - Defined Benefit Pension Plans</u> (continued)

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0 percent upon a determination by its actuary that it was necessary to preserve the fiscal integrity of the retirement system. Benefit recipients' base benefit and past cost-of living increases are not affected by this change. Effective July 1, 2022, an ad-hoc COLA of 3 percent of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2023 as long as they retired prior to July 1, 2018. Eligibility changes will be phased in until August 1, 2023, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 34 years of service credit at any age.

Eligibility changes for DB Plan members who retire with actuarially reduced benefits will be phased in until August 1, 2023, when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit regardless of age.

The DC Plan allows members to place all their member contributions and 11.09 percent of the 14 percent employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS. The remaining 2.91 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12 percent of the 14 percent member rate is deposited into the member's DC account and the remaining 2 percent is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age fifty and after termination of employment.

New members who choose the DC plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. New members on or after July 1, 2013, must have at least ten years of qualifying service credit to apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. Eligible survivors of members who die before service retirement may qualify for monthly benefits. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Note 14 - Defined Benefit Pension Plans (continued)

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The 2023 employer and employee contribution rate of 14 percent was equal to the statutory maximum rates. For 2023, the full employer contribution was allocated to pension.

The County's contractually required contribution to STRS was $81,936 for 2023.

Pension Liabilities/Assets, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability (asset) for OPERS was measured as of December 31, 2022, and the net pension liability for STRS was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of the respective measurement dates. The County's proportion of the net pension liability (asset) was based on the County's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	OPERS Traditional Plan	OPERS Combined Plan	STRS	Total
Proportion of the Net Pension Liability/Asset:				
Current Measurement Date	0.09700700%	0.04109300%	0.00422289%	
Prior Measurement Date	0.09822600%	0.05844200%	0.00424411%	
Change in Proportionate Share	0.00121900%	0.01734900%	0.00002122%	
Proportionate Share of the:				
Net Pension Liability	$28,655,911	$0	$909,396	$29,565,307
Net Pension Asset	0	96,851	0	96,851
Pension Expense	4,393,380	17,322	63,670	4,474,372

2023 pension expense for the member-directed defined contribution plan was $60,276. The aggregate pension expense for all pension plans was $4,534,648 for 2023.

Note 14 - Defined Benefit Pension Plans (continued)

At December 31, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS Traditional Plan	OPERS Combined Plan	STRS	Total
Deferred Outflows of Resources				
Differences between expected and actual experience	$951,829	$5,954	$33,154	$990,937
Changes of assumptions	302,729	6,412	74,894	384,035
Net difference between projected and actual earnings on pension plan investments	8,167,835	35,297	0	8,203,132
Changes in proportion and differences between County contributions and proportionate share of contributions	137,607	52,355	32,551	222,513
County contributions subsequent to the measurement date	2,327,937	24,182	42,823	2,394,942
Total Deferred Outflows of Resources	$11,887,937	$124,200	$183,422	$12,195,559
Deferred Inflows of Resources				
Differences between expected and actual experience	$0	$13,839	$2,018	$15,857
Changes of assumptions	0	0	56,373	56,373
Net difference between projected and actual earnings on pension plan investments	0	0	2,725	2,725
Changes in proportion and differences between County contributions and proportionate share of contributions	128,715	24,045	21,058	173,818
Total Deferred Inflows of Resources	$128,715	$37,884	$82,174	$248,773

$2,394,942 reported as deferred outflows of resources related to pension resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability or increase to the net pension asset in 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Note 14 - Defined Benefit Pension Plans (continued)

	OPERS Traditional Plan	OPERS Combined Plan	STRS	Total
Year Ending December 31:				
2024	$1,159,398	$4,360	($199)	$1,163,559
2025	1,866,520	9,422	(23,573)	1,852,369
2026	2,404,192	11,938	88,700	2,504,830
2027	4,001,175	17,867	(6,503)	4,012,539
2028	0	3,132	0	3,132
Thereafter	0	15,415	0	15,415
Total	$9,431,285	$62,134	$58,425	$9,551,844

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2022, using the following key actuarial assumptions and methods applied to all periods included in the measurement in accordance with the requirements of GASB 67:

	OPERS Traditional Plan	OPERS Combined Plan
Wage Inflation	2.75 percent	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation	2.75 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3.0 percent, simple	3.0 percent, simple
Post-January 7, 2013 Retirees	3.0 percent, simple through 2023, then 2.05 percent, simple	3.0 percent, simple through 2023, then 2.05 percent, simple
Investment Rate of Return	6.9 percent	6.9 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

Note 14 - Defined Benefit Pension Plans (continued)

The most recent experience study was completed for the five year period ended December 31, 2020.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 12.1 percent for 2022.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized below:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	22.00%	2.62%
Domestic Equities	22.00	4.60
Real Estate	13.00	3.27
Private Equity	15.00	7.53
International Equities	21.00	5.51
Risk Parity	2.00	4.37
Other investments	5.00	3.27
Total	100.00%	

Discount Rate - The discount rate used to measure the total pension liability for the current year was 6.9 percent for the traditional plan and the combined plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the traditional pension plan, combined plan and member-directed plan was applied to all periods of projected benefit payments to determine the total pension liability.

Note 14 - Defined Benefit Pension Plans (continued)

Sensitivity of the County's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate - The following table presents the County's proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 6.9 percent, as well as what the County's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
County's proportionate share of the net pension liability (asset)			
OPERS Traditional Plan	$42,925,598	$28,655,911	$16,786,091
OPERS Combined Plan	(50,544)	(96,851)	(133,552)

Actuarial Assumptions - STRS

Key methods and assumptions used in the June 30, 2023, actuarial valuation are presented below:

	June 30, 2022
Inflation	2.50 percent
Salary increases	From 2.5 percent to 8.5 percent based on service
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation
Discount Rate of Return	7.00 percent
Payroll Increases	3.00 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017

Post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2023, valuation are based on the results of an actuarial experience study for the period July 1, 2015, through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Note 14 - Defined Benefit Pension Plans (continued)

Asset Class	Target Allocation *	Long-Term Expected Rate of Return **
Domestic Equity	26.00%	6.60%
International Equity	22.00	6.80
Alternatives	19.00	7.38
Fixed Income	22.00	1.75
Real Estate	10.00	5.75
Liquidity Reserves	1.00	1.00
Total	100.00%	

* Final target weights reflected at October 1, 2022.
** 10 year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent, and is net of investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate - The discount rate used to measure the total pension liability was 7.00 percent as of June 30, 2023. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2023. Therefore, the long-term expected rate of return on pension plan investments of 7.00 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2023.

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table presents the County's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.00 percent, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.00 percent) or one-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County's proportionate share of the net pension liability	$1,398,451	$909,396	$495,791

Note 15 - Defined Benefit OPEB Plans

See Note 14 for a description of the net OPEB asset.

Plan Description - Ohio Public Employees Retirement System (OPERS)

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. Medicare-enrolled retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice selected with the assistance of an OPERS vendor. Non-Medicare retirees have converted to an arrangement similar to the Medicare-enrolled retirees, and are no longer participating in OPERS provided self-insured group plans.

With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

OPERS offers a health reimbursement arrangement (HRA) allowance to traditional pension plan and combined plan benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents.

OPERS members enrolled in the Traditional Pension Plan or Combined Plan retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

Medicare Retirees Medicare-eligible with a minimum of 20 years of qualifying service credit

Non-Medicare Retirees Non-Medicare retirees qualify based on the following age-and-service criteria:

Group A 30 years of qualifying service credit at any age;

Group B 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

Note 15 - Defined Benefit OPEB Plans (continued)

> ***Group C*** 32 years of qualifying service credit and minimum age 55; or,
>
> A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit.

Retirees who don't meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service.

Members with a retirement date prior to January 1, 2022, who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022.

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are provided to eligible retirees, and are deposited into their HRA account.

Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan.

When members become Medicare-eligible, recipients enrolled in OPERS health care programs must enroll in Medicare Part A (hospitalization) and Medicare Part B (medical).

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50 percent of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

The heath care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

The Ohio Revised Code permits but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting https://www.opers.org/financial/reports.shtml, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Note 15 - Defined Benefit OPEB Plans (continued)

Funding Policy - The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and beginning July 1, 2022, there was a two percent allocation to health care for the Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2022 was 4.0 percent; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The County's contractually required contribution was $23,740 for 2023. Of this amount, $3,023 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Health care premiums were reduced by a Medicare Part B premium credit beginning in 2023. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the year ended December 31, 2023, STRS did not allocate any employer contributions to post-employment health care.

Note 15 - Defined Benefit OPEB Plans (continued)

OPEB Liabilities/Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB asset and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. For STRS, the net OPEB liability (asset) was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an independent actuarial valuation as of that date. The County's proportion of the net OPEB liability (asset) was based on the County's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	OPERS	STRS	Total
Proportion of the Net OPEB Liability/Asset:			
Current Measurement Date	0.09399300%	0.00422289%	
Prior Measurement Date	0.09502800%	0.00424411%	
Change in Proportionate Share	0.00103500%	0.00002122%	
Proportionate Share of the Net			
OPEB Asset	$0	$82,130	$82,130
OPEB Liability	592,645	0	592,645
OPEB Expense	(1,027,741)	(7,786)	(1,035,527)

At December 31, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$0	$128	$128
Changes of assumptions	578,849	12,099	590,948
Net difference between projected and actual earnings on OPEB plan investments	1,177,012	146	1,177,158
Changes in proportionate Share and difference between County contributions and proportionate share of contributions	18,735	137	18,872
County contributions subsequent to the measurement date	23,740	0	23,740
Total Deferred Outflows of Resources	$1,798,336	$12,510	$1,810,846

Note 15 - Defined Benefit OPEB Plans (continued)

	OPERS	STRS	Total
Deferred Inflows of Resources			
Differences between expected and actual experience	$147,829	$12,526	$160,355
Changes of assumptions	47,630	54,188	101,818
Changes in proportionate Share and difference between County contributions and proportionate share of contributions	663	4,287	4,950
Total Deferred Outflows of Resources	$196,122	$71,001	$267,123

$23,740 reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date will be recognized as an increase to the net OPEB asset in the year ending December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS	STRS	Total
Fiscal Year Ending December 31:			
2024	$212,653	($27,610)	$185,043
2025	430,196	(11,589)	418,607
2026	367,030	(4,240)	362,790
2027	568,595	(5,760)	562,835
2028	0	(5,266)	(5,266)
Thereafter	0	(4,026)	(4,026)
Total	$1,578,474	($58,491)	$1,519,983

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022. The actuarial valuation used the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Note 15 - Defined Benefit OPEB Plans (continued)

Wage Inflation	2.75 percent
Projected Salary Increases,	2.75 to 10.75 percent including wage inflation
Single Discount Rate	5.22 percent
Prior Year Single Discount Rate	6.00 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	4.05 percent
Prior Year Municipal Bond Rate	1.84 percent
Health Care Cost Trend Rate	5.5 percent, initial 3.50 percent, ultimate in 2036
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five year period ended December 31, 2020.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contribution are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 15.6 percent for 2022.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

Note 15 - Defined Benefit OPEB Plans (continued)

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00%	2.56%
Domestic Equities	26.00	4.60
Real Estate Investment Trust	7.00	4.70
International Equities	25.00	5.51
Risk Parity	2.00	4.37
Other investments	6.00	1.84
Total	100.00%	

Discount Rate - A single discount rate of 5.22 percent was used to measure the OPEB liability on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6 percent. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 4.05 percent (Fidelity Index's "20-Year Municipal GO AA Index"). The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2054. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the County's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate - The following table presents the County's proportionate share of the net OPEB liability calculated using the single discount rate of 5.22 percent, as well as what the County's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (4.22 percent) or one-percentage-point higher (6.22 percent) than the current rate:

	1% Decrease (4.22%)	Current Discount Rate (5.22%)	1% Increase (6.22%)
County's proportionate share of the net OPEB liability (asset)	$2,017,090	$592,645	($582,757)

Note 15 - Defined Benefit OPEB Plans (continued)

Sensitivity of the County's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate - Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
County's proportionate share of the net OPEB liability	$555,499	$592,645	$634,453

Actuarial Assumptions - STRS

Key methods and assumptions used in the June 30, 2023, actuarial valuation are presented below:

	June 30, 2023	June 30, 2022
Projected salary increases	Varies by service from 2.5 percent to 8.5 percent	Varies by service from 2.5 percent to 8.5 percent
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	7.00 percent, net of investment expenses, including inflation
Payroll Increases	3 percent	3 percent
Discount Rate of Return	7.00 percent	7.00 percent
Health Care Cost Trends		
Medical		
Pre-Medicare	7.50 percent initial 4.14 percent ultimate	7.50 percent initial 3.94 percent ultimate
Medicare	-10.94 percent initial 4.14 percent ultimate	-68.78 percent initial 3.94 percent ultimate
Prescription Drug		
Pre-Medicare	-11.95 percent initial 4.14 percent ultimate	9.00 percent initial 3.94 percent ultimate
Medicare	1.33 percent initial 4.14 percent ultimate	-5.47 percent initial 3.94 percent ultimate

Note 15 - Defined Benefit OPEB Plans (continued)

Projections of benefits include the historical pattern of sharing benefit costs between the employers and retired plan members.

Healthy retirees post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2023, valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

The STRS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 14.

Discount Rate - The discount rate used to measure the total OPEB liability was 7.00 percent as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed STRS continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2023. Therefore, the long-term expected rate of return on health care plan investments of 7.00 percent was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2023.

Sensitivity of the County's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate - The following table represents the net OPEB asset as of June 30, 2023, calculated using the current period discount rate assumption of 7.00 percent, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County's proportionate share of the net OPEB asset	($69,512)	($82,130)	($93,118)

	1% Decrease	Current Trend Rate	1% Increase
County's proportionate share of the net OPEB asset	($93,628)	($82,130)	($68,280)

Note 16 - Other Employer Benefits

A. Compensated Absences

County employees earn vacation and sick leave at varying rates depending on length of service and department policy. Currently, employees are not permitted to accrue or carry over, beyond an anniversary date, more than the equivalent of one year's vacation leave, except as otherwise defined in union agreements. All accumulated unused vacation time is paid upon separation from the County. Sick leave is earned at a rate of four and six-tenths hours for every eighty hours worked. Sick leave is pro-rated for those employees working less than a standard eighty hour pay period. Any County employee who has ten or more years of service is paid upon retirement for one-fourth of the value of their accumulated unused sick leave up to a maximum of forty-five to sixty-five days, depending on department policy or union contract.

B. Employee Health Insurance

Ashland County offers employee medical, dental, and vision benefits through the County Employee Benefits Consortium of Ohio. Depending on the plan chosen, the employees share the cost of the monthly premium with the County.

Note 17 - Long-Term Obligations

The County's long-term obligations activity for the year ended December 31, 2023, was as follows:

	Balance December 31, 2022	Additions	Reductions	Balance December 31, 2023	Due within 1 year
Governmental Activities					
Net Pension Liability					
Ohio Public Employees Retirement System	$8,546,061	$20,109,850	$0	$28,655,911	$0
State Teachers Retirement System	943,471	0	34,075	909,396	0
Total Net Pension Liability	9,489,532	20,109,850	34,075	29,565,307	0
Net OPEB Liability	0	592,645	0	592,645	0
Loans Payable from Direct Borrowing	26,934	0	10,000	16,934	10,000
Compensated Absences Payable	1,385,412	296,835	114,308	1,567,939	414,923
Total Governmental Activities	$10,901,878	$20,999,330	$158,383	$31,742,825	$424,923
Business-Type Activities					
Closure/Postclosure Liability	$856,253	$0	$54,586	$801,667	$89,787

Note 17 - Long-Term Obligations (continued)

Net Pension Liability

There is no repayment schedule for the net pension liability; however, employer pension contributions are made from the General Fund; the Motor Vehicle and Gasoline Tax; Job and Family Services; Alcohol, Drug Addiction, and Mental Health Services; Developmental Disabilities; Dog and Kennel; Real Estate Assessment; CPC 4D CSEA Grant; Sheriff 4D CSEA Grant; Law Library; County Sheriff; Victims of Crime; Probation Services; Child Support Enforcement Agency; Sheriff Gun Permit; DRETAC; Juvenile Court; Felony Delinquent Care/Custody, Community Control-CPC, and Jail Operating special revenue funds.

Loan Payable

In 2013, the County obtained a loan through a direct borrowing from the Ohio Development Services Agency (Local Government Fund) for the implementation of a document imaging system at the Department of Job and Family Services. The loan was obtained for a ten year period with payment beginning twelve months after the date of the final disbursement. The project was completed in 2014 with loan repayments beginning in 2016. The loan will be retired through the Job and Family Services special revenue fund. Of the outstanding loan amount, $16,934 was not capitalized for governmental activities.

Compensated Absences

The compensated absences liability will be paid from the fund from which the employees' salaries are paid. These funds include the General Fund; the Motor Vehicle and Gasoline Tax; Job and Family Services; Alcohol, Drug Addiction, and Mental Health Services; Developmental Disabilities; Dog and Kennel; Real Estate Assessment; County Sheriff; Victims of Crime; Child Support Enforcement Agency; DRETAC; Juvenile Court; Felony Delinquent Care/Custody, Community Control-CPC, and Jail Operating special revenue funds.

The following is a summary of the County's future annual debt service requirements for governmental activities:

	Direct Borrowing Loan Payable Principal
2024	$10,000
2025	6,934
	$16,934

The County's legal debt margin at December 31, 2022, was $45,764,300.

Note 17 - Long-Term Obligations (continued)

To further economic development in the County, the County has issued bonds that provide capital financing to private-sector entities for the acquisition and construction of industrial and commercial facilities. The properties financed are pledges as collateral, and the bonds are payable solely from payments received from the private-sector entities on the underlying mortgage or promissory notes. In addition, no commitments beyond the collateral, the payments from the private-sector entities, and maintenance of the tax-exempt status of the conduit debt obligation were extended by the County for any of those bonds. At December 31, 2023, the bonds have an aggregate outstanding principal amount payable of $6,690,000.

Note 18 - Postclosure Costs

State and federal laws and regulations require the County to perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. The County's landfill was closed in 1997. The $801,667 reported as the landfill postclosure liability at December 31, 2023, represents the estimated costs of maintenance and monitoring through 2027. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The December 31, 2023, liability decreased from the prior year by $54,586.

The County is required by state and federal laws and regulations to provide assurances that financial resources will be available to provide for postclosure care and remediation or containment of environmental hazards at the landfill. The County has passed the financial accountability test in which the County demonstrates its ability to self-fund these future costs.

Note 19 - Interfund Transfers

During 2023, the General Fund made transfers to the Job and Family Services special revenue fund in the amount of $80,960 and to other governmental funds in the amount of $122,578. These transfers were made to subsidize operations in those funds.

Note 20 - Fund Balance

Fund balance is classified as nonspendable, restricted, committed, assigned, and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources in governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented on the following pages.

Note 20 - Fund Balance (continued)

Fund Balance	General	Motor Vehicle and Gasoline Tax	Job and Family Services	Alcohol, Drug Addiction, and Mental Health Services
Nonspendable for:				
Prepaid Items	$263,719	$0	$0	$0
Materials and Supplies Inventory	90,430	1,142,631	3,571	0
Unclaimed Monies	81,293	0	0	0
Total Nonspendable	435,442	1,142,631	3,571	0
Alcohol, Drug Addiction, and Mental Health Services Operations	0	0	0	2,998,511
Job and Family Services Operations	0	0	856,515	0
Road and Bridge Repair/ Improvement	0	2,051,310	0	0
Sheriff Operations	91,651	0	0	0
Total Restricted	91,651	2,051,310	856,515	2,998,511
Committed to:				
Bi/Tri Centennial	2,242	0	0	0
Employee Retirement Payout	121,012	0	0	0
Title Administration	470,705	0	0	0
Total Committed	593,959	0	0	0
Assigned for:				
Document Recording	118,239	0	0	0
Projected Budget Shortage	2,966,308	0	0	0
Sheriff Operations	103,269	0	0	0
Unpaid Obligations	124,091	0	0	0
Total Assigned	3,311,907	0	0	0
Unassigned (Deficit)	10,626,856	0	0	0
Total Fund Balance	$15,059,815	$3,193,941	$860,086	$2,998,511

Note 20 - Fund Balance (continued)

Fund Balance	Developmental Disabilities	Other Governmental Funds
Nonspendable for:		
Materials and Supplies		
Inventory	$12,785	$7,721
Restricted for:		
Board of Elections	0	10,543
Capital Projects	0	45
Child Support Enforcement	0	1,256,134
Coronavirus Relief	0	103,774
Court Operations	0	1,742,445
Crime Victims Assistance	0	12,217
Delinquent Tax Collections	0	151,196
Developmental Disabilities		
Operations	6,406,398	0
Dog and Kennel Operations	0	54,359
Economic Development	0	114,980
Emergency Management Agency	0	6,918
Job and Family Services		
Operations	0	227,368
Real Estate Assessments	0	1,548,554
Senior Citizens	0	250,985
Sheriff Operations	0	1,733,771
Youth Child Support/Juvenile	0	142,533
Total Restricted	6,406,398	7,355,822
Committed to:		
Capital Projects	0	2,213,128
Road and Bridge Repair/		
Improvement	0	46,412
Total Committed	0	2,259,540
Unassigned (Deficit)	0	(159,241)
Total Fund Balance	$6,419,183	$9,463,842

Note 21 - Jointly Governed Organizations

A. Northern Ohio Juvenile Community Corrections Facility

The Northern Ohio Juvenile Community Corrections Facility is a jointly governed organization between Ashland, Erie, Huron, Sandusky, and Seneca Counties. The Corrections Facility provides for juvenile rehabilitation and correction for juvenile offenders who would otherwise be eligible for commitment to the Ohio Department of Youth Services. The Corrections Facility is controlled by a governing board consisting of the juvenile court judge from each of the participating counties. Each County's ability to influence the operations of the Corrections Facility is limited to its representation on the governing board. Erie County serves as the fiscal agent.

B. Ashland Community Improvement Corporation

The County participates in the Ashland Community Improvement Corporation (CIC), a 501(c)(3) not-for-profit-corporation established under Ohio Revised Code Section 1724.10. The CIC administers the CDBG revolving loan program in conjunction with the City of Ashland revolving loan fund.

The CIC board consists of thirty members, two-fifths of whom are required by the Ohio Revised Code to be from the participating governments. Ashland County has one representative on the CIC board. Financial information can be obtained from the Ashland Community Improvement Corporation, 47 West Main Street, Ashland, Ohio 44805.

C. Ashland Area Council for Economic Development

The Ashland Area Council for Economic Development (Council) is a jointly governed organization between Ashland County and the City of Ashland. The Council was organized to undertake joint programs for economic development in the Ashland County area. The Council's board consists of the President of Council from the City of Ashland, a representative appointed by City Council, a member of the Board of County Commissioners, and a representative appointed by the Board of County Commissioners. Each term is for three years. In 2023, the County contributed $49,000 to the Council. Financial information can be obtained from the Ashland Area Council for Economic Development, 206 Claremont Avenue, Ashland, Ohio 44805.

Note 22 - Insurance Pools

A. County Risk Sharing Authority, Inc.

The County Risk Sharing Authority, Inc. (CORSA), is a jointly governed organization among a number of counties in Ohio. CORSA was formed as an Ohio not-for-profit corporation for the purpose of establishing the CORSA Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverages provided by CORSA.

Note 22 - Insurance Pools (continued)

Each member county has one vote on all matters requiring a vote to be cast by a designated representative. The affairs of CORSA are managed by an elected board of not more than nine trustees. Only county commissioners of member counties are eligible to serve on the Board of Trustees. No county may have more than one representative on the Board of Trustees at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the Board of Trustees.

B. County Commissioners Association of Ohio Service Corporation

The County participates in a group rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The County Commissioners Association of Ohio Service Corporation (CCAOSC) was established through the County Commissioners Association of Ohio (CCAO) as an insurance purchasing pool.

A group executive committee is responsible for calculating annual rate contributions and rebates, approving the selection of a third party administrator, reviewing and approving proposed third party fees, fees for risk management services and general management fees, determining ongoing eligibility of each participant, and performing any other acts and functions which may be delegated to it by the participants. The group executive committee consists of nine members. Two members are the president and treasurer of CCAOSC; the remaining seven members are representatives of the participants. These seven members are elected for the ensuing year by the participants at a meeting held in December of each year. No participant can have more than one member on the group executive committee in any year and each elected member shall be a county commissioner.

C. County Employee Benefits Consortium of Ohio, Inc.

The County participates with the County Employee Benefits Consortium of Ohio, Inc. (CEBCO), an Ohio not-for-profit corporation with membership open to Ohio political subdivisions to collectively pool resources to purchase employee benefits. The County pays, on a monthly basis, the annual actuarially determined funding rate. Components of the funding rate include the claims fund contribution, incurred but not reported claims, a claims contingency reserve fund, as well as the fixed costs of the consortium.

The business and affairs of the consortium are managed by a board of not less than nine or more than fifteen directors that exercise all powers of the consortium. Two-thirds of the directors are county commissioners of the member counties and one-third are employees of the member counties. Each member of the consortium is entitled to one vote. At all times, one director is required to be a member of the board of directors of the County Commissioners' Association of Ohio and another is required to be a board member of the County Risk Sharing Authority, Inc.

Note 23 - Related Organization

The Ashland County Airport Authority was created by resolution of the County Commissioners under the authority of Chapter 308 of the Ohio Revised Code. The Airport Authority is governed by a five member board of trustees appointed by the County Commissioners. The Board of Trustees has the authority to exercise all of the powers and privileges provided under the law. These powers include the ability to sue or be sued in its corporate name; the power to establish and collect rates, rentals, and other charges; the authority to acquire, construct, operate, manage, and maintain airport facilities; the authority to buy and sell real and personal property; and the authority to issue debt for acquiring or constructing any facility or permanent improvement. The Airport Authority serves as custodian of its own funds and maintains all records and accounts independent of Ashland County.

Although the County has no obligation to provide financial resources to the airport, the County Commissioners have in prior years allocated certain funds to the Airport Authority. In 2023, this allocation was $30,000.

Note 24 - Contingent Liabilities

A. Litigation

On December 31, 2023, the County was party to legal proceedings seeking damages or injunctive relief generally incidental to its operations and pending projects. In the opinion of the County, any potential liability would not have a material adverse effect on the financial statements.

B. Federal and State Grants

For the period January 1, 2023, to December 31, 2023, the County received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the County believes such disallowances, if any, would be immaterial.

Note 25 - COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency ended in April 2023. During 2023, the County received COVID-19 funding. The County will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

Ashland County
Required Supplementary Information
Schedule of the County's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System - Traditional Plan
Last Ten Years

	2023	2022	2021	2020
County's Proportion of the Net Pension Liability	0.09700700%	0.09822600%	0.09434900%	0.09483600%
County's Proportionate Share of the Net Pension Liability	$28,655,911	$8,546,061	$13,971,034	$18,744,980
County's Covered Payroll	$14,265,167	$13,595,623	$12,686,495	$12,585,623
County's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	200.88%	62.86%	110.13%	148.94%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.74%	92.62%	86.88%	82.17%

Amounts presented as of the County's measurement date which is the prior year end.

See Accompanying Notes to the Required Supplementary Information

2019	2018	2017	2016	2015	2014
0.09387978%	0.09709665%	0.09868900%	0.10089046%	0.09998300%	0.09998300%
$25,711,766	$15,232,584	$22,410,594	$17,475,500	$12,059,067	$11,786,693
$12,362,487	$12,491,486	$12,145,083	$12,006,391	$11,682,338	$12,083,581
207.98%	121.94%	184.52%	145.55%	103.22%	97.54%
74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

Ashland County
Required Supplementary Information
Schedule of the County's Proportionate Share of the Net Pension Asset
Ohio Public Employees Retirement System - Combined Plan
Last Six Years (1)

	2023	2022	2021	2020
County's Proportion of the Net Pension Asset	0.04109300%	0.05844200%	0.06297900%	0.04694300%
County's Proportionate Share of the Net Pension Asset	\$96,851	\$230,265	\$181,797	\$97,888
County's Covered Payroll	\$191,714	\$269,300	\$277,550	\$206,750
County's Proportionate Share of the Net Pension Asset as a Percentage of Covered Payroll	50.52%	85.51%	65.50%	47.35%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	137.14%	169.88%	157.67%	145.28%

(1) Amounts for the combined plan are not presented prior to 2018 as the County's participation in this plan was considered immaterial in previous years.

Amounts presented as of the County's measurement date which is the prior year end.

See Accompanying Notes to the Required Supplementary Information

2019	2018
0.03713676%	0.03274080%
$41,526	$44,572
$162,243	$136,915
25.59%	32.55%
126.64%	137.28%

Ashland County
Required Supplementary Information
Schedule of the County's Proportionate Share of the Net Pension Liability
State Teachers Retirement System of Ohio
Last Ten Fiscal Years

	2023	2022	2021	2020
County's Proportion of the Net Pension Liability	0.00422289%	0.00424411%	0.00390188%	0.00405501%
County's Proportionate Share of the Net Pension Liability	$909,396	$943,471	$498,889	$981,168
County's Covered Payroll	$570,379	$551,757	$481,464	$467,950
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	159.44%	170.99%	103.62%	209.67%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.00%	78.90%	87.80%	75.50%

Amounts presented for each fiscal year were determined as of June 30th.

See Accompanying Notes to the Required Supplementary Information

2019	2018	2017	2016	2015	2014
0.00400949%	0.00452994%	0.00503595%	0.00559366%	0.00632302%	0.00629111%
$886,674	$996,032	$1,196,301	$1,872,367	$1,747,497	$1,530,216
$470,729	$514,979	$553,643	$588,557	$659,700	$692,223
188.36%	193.41%	216.08%	318.13%	264.89%	221.06%
77.40%	77.30%	75.30%	66.80%	72.10%	74.70%

Ashland County
Required Supplementary Information
Schedule of the County's Proportionate Share of the Net OPEB Liability (Asset)
Ohio Public Employees Retirement System
Last Seven Years (1)

	2023	2022	2021	2020
County's Proportion of the Net OPEB Liability (Asset)	0.09399300%	0.09502800%	0.09179200%	0.09221700%
County's Proportionate Share of the Net OPEB Liability (Asset)	$592,645	($2,976,422)	($1,635,349)	$12,737,563
County's Covered Payroll	$14,866,406	$14,171,998	$13,285,820	$13,174,048
County's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered Payroll	3.99%	-21.00%	-12.31%	96.69%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	94.79%	128.23%	115.57%	47.80%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

Amounts presented as of the County's measurement date which is the prior year end.

See Accompanying Notes to the Required Supplementary Information

2019	2018	2017
0.09101259%	0.09424000%	0.09633070%
$11,865,893	$10,233,770	$9,729,728
$12,900,280	$13,049,176	$12,744,941
91.98%	78.42%	76.34%
46.33%	54.14%	54.04%

Ashland County
Required Supplementary Information
Schedule of the County's Proportionate Share of the Net OPEB Liability (Asset)
State Teachers Retirement System of Ohio
Last Seven Years (1)

	2023	2022	2021	2020
County's Proportion of the Net OPEB Liability (Asset)	0.00422289%	0.00424411%	0.00390188%	0.00405501%
County's Proportionate Share of the Net OPEB Liability (Asset)	($82,130)	($109,895)	($82,269)	($71,266)
County's Covered Payroll	$570,379	$551,757	$481,464	$467,950
County's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Employee Payroll	-14.40%	-19.92%	-17.09%	-15.23%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	168.50%	230.70%	174.70%	182.10%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

Amounts presented as of the County's measurement date which is the prior year end.

See Accompanying Notes to the Required Supplementary Information

2019	2018	2017
0.00400949%	0.00452994%	0.00503595%
($66,406)	($72,790)	$196,485
$470,729	$514,979	$553,643
-14.11%	-14.13%	35.49%
174.70%	176.00%	47.10%

Ashland County
Required Supplementary Information
Schedule of the County's Contributions
Ohio Public Employees Retirement System
Last Ten Years

	2023	2022	2021	2020
Net Pension Liability - Traditional Plan				
Contractually Required Contribution	$2,327,937	$2,105,970	$2,006,391	$1,862,215
Contributions in Relation to the Contractually Required Contribution	(2,327,937)	(2,105,970)	(2,006,391)	(1,862,215)
Contribution Deficiency (Excess)	$0	$0	$0	$0
County Covered Payroll	$15,787,401	$14,265,167	$13,595,623	$12,686,495
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%
Net Pension Asset - Combined Plan				
Contractually Required Contribution	$24,182	$26,840	$37,702	$38,857
Contributions in Relation to the Contractually Required Contribution	(24,182)	(26,840)	(37,702)	(38,857)
Contribution Deficiency (Excess)	$0	$0	$0	$0
County Covered Payroll	$201,517	$191,714	$269,300	$277,550
Pension Contributions as a Percentage of Covered Payroll	12.00%	14.00%	14.00%	14.00%
Net OPEB Liability - OPEB Plan				
Contractually Required Contribution	$23,740	$16,381	$12,283	$12,871
Contributions in Relation to the Contractually Required Contribution	(23,740)	(16,381)	(12,283)	(12,871)
Contribution Deficiency (Excess)	$0	$0	$0	$0
County Covered Payroll (1)	$16,591,670	$14,866,406	$14,171,998	$13,285,820
OPEB Contributions as a Percentage of Covered Payroll	3.27%	0.04%	0.04%	0.04%

(1) The OPEB plan includes the members from the traditional plan, the combined plan, and the member directed plan. The member directed pension plan is a defined contribution pension plan; therefore, the pension side is not included above.

See Notes to the Required Supplementary Information

2019	2018	2017	2016	2015	2014
$1,847,510	$1,813,057	$1,703,582	$1,532,356	$1,512,762	$1,474,833
(1,847,510)	(1,813,057)	(1,703,582)	(1,532,356)	(1,512,762)	(1,474,833)
$0	$0	$0	$0	$0	$0
$12,585,623	$12,362,487	$12,491,486	$12,145,083	$12,006,391	$11,682,338
14.00%	14.00%	13.64%	12.62%	12.60%	12.62%
$28,945	$22,714	$17,799	$18,925	$20,593	$17,301
(28,945)	(22,714)	(17,799)	(18,925)	(20,593)	(17,301)
$0	$0	$0	$0	$0	$0
$206,750	$162,243	$136,915	$157,708	$171,608	$144,175
14.00%	14.00%	13.00%	12.00%	12.00%	12.00%
$15,267	$15,022	$143,115	$263,742		
(15,267)	(15,022)	(143,115)	(263,742)		
$0	$0	$0	$0		
$13,174,048	$12,900,280	$13,049,176	$12,744,941		
0.04%	0.04%	1.02%	2.04%		

Ashland County
Required Supplementary Information
Schedule of the County's Contributions
State Teachers Retirement System of Ohio
Last Ten Years

	2023	2022	2021	2020
Net Pension Liability				
Contractually Required Contribution	$81,936	$77,414	$73,899	$67,149
Contributions in Relation to the Contractually Required Contribution	(81,936)	(77,414)	(73,899)	(67,149)
Contribution Deficiency (Excess)	$0	$0	$0	$0
County Covered Payroll (1)	$585,257	$552,957	$527,850	$479,636
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%
Net OPEB Liability (Asset)				
Contractually Required Contribution	$0	$0	$0	$0
Contributions in Relation to the Contractually Required Contribution	0	0	0	0
Contribution Deficiency (Excess)	$0	$0	$0	$0
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%

(1) The County's covered payroll is the same for the pension and OPEB.

See Notes to the Required Supplementary Information

2019	2018	2017	2016	2015	2014
$64,911	$70,113	$73,596	$81,584	$92,009	$88,232
(64,911)	(70,113)	(73,596)	(81,584)	(92,009)	(88,232)
$0	$0	$0	$0	$0	$0
$463,650	$500,807	$525,686	$582,743	$657,207	$655,515
14.00%	14.00%	14.00%	14.00%	14.00%	13.46%
$0	$0	$0	$0	$0	$3,540
0	0	0	0	0	(3,540)
$0	$0	$0	$0	$0	$0
0.00%	0.00%	0.00%	0.00%	0.00%	0.54%

Changes in Assumptions - OPERS Pension - Traditional Plan

Amounts reported beginning in 2022 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in prior years are presented below:

	2022	2019 through 2021	2018 and 2017	2016 and prior
Wage Inflation	2.75 percent	3.25 percent	3.25 percent	3.75 percent
Future Salary Increases	2.75 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:				
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	see below	see below	see below	see below
Investment Rate of Return	6.9 percent	7.2 percent	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age

The assumptions related to COLA or Ad Hoc COLA for Post-January 7, 2013, Retirees are as follows:

COLA or Ad Hoc COLA, Post-January 7, 2013 Retirees:

2023	3.0 percent, simple through 2023 then 2.05 percent, simple
2022	3.0 percent, simple through 2022 then 2.05 percent, simple
2021	0.5 percent, simple through 2021 then 2.15 percent, simple
2020	1.4 percent, simple through 2020 then 2.15 percent, simple
2017 through 2019	3.0 percent, simple through 2018 then 2.15 percent, simple
2016 and prior	3.0 percent, simple through 2018 then 2.80 percent, simple

Amounts reported beginning in 2022 use pre-retirement mortality rates based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all these tables.

Amounts reported for 2017 through 2021 use mortality rates based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

<u>Changes in Assumptions - OPERS Pension - Combined Plan</u>

	2022	2019 through 2021	2018
Wage Inflation	2.75 percent	3.25 percent	3.25 percent
Future Salary Increases	2.75 to 8.25 percent including wage inflation	3.25 to 8.25 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:			
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	see below	see below	see below
Investment Rate of Return	6.9 percent	7.2 percent	7.5 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age

For 2022, 2021 and 2020, the Combined Plan had the same change in COLA or Ad Hoc COLA for Post-January 2, 2013, retirees as the Traditional Plan.

Changes in Assumptions - STRS Pension

Amounts reported beginning in 2017 incorporate changes in assumptions and changes in benefit terms used by STRS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2016 and prior are presented below:

	2022	2017	2016 and Prior
Inflation	2.50 percent	2.50 percent	2.75 percent
Projected salary increases	Varies by Service from 2.5 percent to 8.5 percent	12.50 percent at age 20 to 2.50 percent at age 65	12.25 percent at age 20 to 2.75 percent at age 70
Investment Rate of Return	See Below	See Below	See Below
Payroll Increases	3 percent	3 percent	3.5 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017	0.0 percent, effective July 1, 2017	2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring after August 1, 2013, or later, COLA commences on fifth anniversary of retirement date.

Investment rate of return:

2021 through 2023	7.00 percent, net of investment expenses, including inflation
2017 through 2020	7.45 percent, net of investment expenses, including inflation
2016 and prior	7.75 percent, net of investment expenses, including inflation

Beginning in 2022, post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Beginning in 2017, post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

For 2016 and prior actuarial valuation, mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males' ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89, and no set back from age 90 and above.

Changes in Assumptions - OPERS OPEB

Wage Inflation:	
2023 and 2022	2.75 percent
2021 and prior	3.25 percent
Projected Salary Increases (including wage inflation):	
2023 and 2022	2.75 to 10.75 percent
2021 and prior	3.25 to 10.75 percent
Investment Return Assumption:	
Beginning in 2019	6.00 percent
2018	6.50 percent
Municipal Bond Rate:	
2023	4.05 percent
2022	1.84 percent
2021	2.00 percent
2020	2.75 percent
2019	3.71 percent
2018	3.31 percent
Single Discount Rate:	
2023	5.22 percent
2022	6.00 percent
2021	6.00 percent
2020	3.16 percent
2019	3.96 percent
2018	3.85 percent
Health Care Cost Trend Rate:	
2023	5.5 percent, initial 3.5 percent, ultimate in 2036
2022	5.5 percent, initial 3.5 percent, ultimate in 2034
2021	8.5 percent, initial 3.5 percent, ultimate in 2035
2020	10.5 percent, initial 3.5 percent, ultimate in 2030
2019	10.0 percent, initial 3.25 percent, ultimate in 2029
2018	7.5 percent, initial 3.25 percent, ultimate in 2028

Changes in Benefit Term - STRS Pension

For 2023, Demographic assumptions were changed based on the actuarial experience study for the period July 1, 2015 through June 30, 2021.

For 2022, the Board approved a one-time 3 percent COLA effective on the anniversary of a benefit recipient's retirement date for those eligible during Fiscal Year 2023 and eliminated the age 60 requirement to receive unreduced retirement that was scheduled to go into effect August 1, 2026.

Changes in Benefit Terms - OPERS OPEB

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in 2021.

Changes in Assumptions - STRS OPEB

For 2022, salary increase rates were updated based on the actuarial experience study for the period July 1, 2015, through June 30, 2021, and were changed from age based to service based. Healthcare trends were updated to reflect emerging claims and recoveries experience.

For 2021, the discount rate was decreased from 7.45 percent to 7.00 percent.

For 2018, the discount rate was increased from the blended rate of 4.13 percent to the long-term expected rate of return of 7.45.

Changes in Benefit Terms - STRS OPEB

For 2023, healthcare trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective January 1, 2024.

For 2022, healthcare trends were updated to reflect emerging claims and recoveries experience.

For 2021, the non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055 percent to 2.1 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D Subsidy was updated to reflect it is expected to be negative in CY 2022. The Part B monthly reimbursement elimination date was postponed indefinitely.

For 2020, there was no change to the claims costs process. Claim curves were updated to reflect the projected fiscal year ending June 30, 2021 premium based on June 30, 2020 enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984 percent to 2.055 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1 percent for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

For 2019, there was no change to the claims costs process. Claim curves were trended to the fiscal year ending June 30, 2020, to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2020, from 1.944 percent to 1.984 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1 percent for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.

For 2018, the subsidy multiplier for non-Medicare benefit recipients was increased from 1.9 percent to 1.944 percent per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased effective January 1, 2019, and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020.

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ASHLAND COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal AL Number	Passed Through to Subrecipients	2023 Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
(Passed through the Ohio Development Services Agency)				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	B-F-21-1AC-1	14.228		$ 6,000
	B-C-21-1AC-1			145,641
	B-W-20-1AC-1			736,000
	S-C-21-1AC-1			18,046
Total Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii				905,687
Home Investment Partnerships Program	B-C-21-1AC-2	14.239		329,290
Total U.S. Department of Housing and Urban Development				**1,234,977**
U.S. DEPARTMENT OF JUSTICE				
(Passed through Ohio Attorney General)				
Crime Victim Assistance	2024-VOCA-135499147	16.575		7,937
	2023-VOCA-135104208			22,638
	2024-SVAA-135499168			2,974
	2023-SVAA-135104212			1,096
Total Crime Victim Assistance				34,645
Total U.S. Department of Justice				**34,645**
U.S. DEPARTMENT OF HOMELAND SECURITY				
(Passed through the Ohio Emergency Management Agency)				
Hazard Mitigation Grant	HMGP-DR-4360.15-P-OH	97.039		2,975
Emergency Management Performance Grants	EMC-2022-EP-00006	97.042		19,050
Total U.S. Department of Homeland Security				**22,025**
U.S. DEPARTMENT OF EDUCATION				
(Passed through the Ohio Department of Education)				
Special Education Cluster:				
Special Education_Grants to States	Not Available	84.027A		24,507
Total Special Education Cluster				24,507
COVID-19 - Education Stabilization Fund - Governor's Emergency Education Relief (GEER)	Not Available	84.425C		27,224
Total U.S. Department of Education				**51,731**
U.S. DEPARTMENT OF AGRICULTURE				
(Passed through the Ohio Department of Education)				
Child Nutrition Cluster:				
School Breakfast Program	Not Available	10.553		8,543
COVID-19 - National School Lunch Program	Not Available	10.555		5,923
National School Lunch Program	Not Available			15,753
Total Child Nutrition Cluster				30,219
(Passed through the Ohio Department of Job & Family Services)				
Supplemental Nutrition Assistance Program Cluster:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	G-2223-11-6895/G-2425-11-6105	10.561		284,041
American Rescue Plan Act - COVID-19 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program				32,230
Total Supplemental Nutrition Assistance Program Cluster:				316,271
Total U.S. Department of Agriculture				**346,490**

ASHLAND COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal AL Number	Passed Through to Subrecipients	2023 Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
(Passed through the Ohio Department of Health)				
Public Health Emergency Preparedness	00310012PH1423	93.069		32,175
	00310012PH1524			27,499
Total Public Health Emergency Preparedness				59,674
Immunization Cooperative Agreements	00310012CN0122	93.268		27,328
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	00310012EO0222	93.323		88,043
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	00310012WF0122	93.354		120,795
	00310012WF0223			5,000
Total Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response				125,795
Activities to Support State, Tribal, Local and Territorial (STL) Health Department Response to Public Health or Healthcare Crisis	00310012WF0223	93.391		5,000
(Passed through the Ohio Department of Job & Family Services)				
Title IV-E Prevention Program	G-2223-11-6895/G-2425-11-6105	93.472		7,688
MaryLee Allen Promoting Safe and Stable Families Program	G-2223-11-6895/G-2425-11-6105	93.556		19,232
Temporary Assistance for Needy Families Cluster:				
Temporary Assistance for Needy Families	G-2223-11-6895/G-2425-11-6105	93.558	$ 471,107	787,025
Total Temporary Assistance for Needy Families Cluster			471,107	787,025
Child Support Enforcement	G-2223-11-6895/G-2425-11-6105	93.563		473,791
Child Care and Development Fund Cluster:				
Child Care and Development Block Grant	G-2223-11-6895/G-2425-11-6105	93.575		40,790
Total Child Care and Development Fund Cluster:				40,790
Stephanie Tubbs Jones Child Welfare Services Program	G-2223-11-6895/G-2425-11-6105	93.645		49,452
Foster Care_Title IV-E	G-2223-11-6895/G-2425-11-6105	93.658		928,191
Adoption Assistance	G-2223-11-6895/G-2425-11-6105	93.659		329,670
(Passed through the Ohio Department of Job and Family Services)				
Social Services Block Grant	G-2223-11-6895/G-2425-11-6105	93.667		533,497
(Passed through the Ohio Department of Mental Health & Addiction Services)				
Social Services Block Grant	2201OHSOSR/2301OHSOSR			22,148
(Passed through the Ohio Department of Developmental Disabilities)				
Social Services Block Grant	Not Available			28,086
Total Social Services Block Grant				583,731
John H. Chafee Foster Care Program for Successful Transition to Adulthood	G-2223-11-6895/G-2425-11-6105	93.674		4,264
American Rescue Plan Act - COVID-19 Elder Abuse Prevention Interventions Program	G-2223-11-6895/G-2425-11-6105	93.747		6,900
Medicaid Cluster:				
Medical Assistance Program	G-2223-11-6895/G-2425-11-6105	93.778		347,993
Total Medicaid Cluster				347,993
(Passed through the Ohio Department of Mental Health & Addiction Services)				
Opioid State Targeted Response	H79TI085753	93.788		709,693
Block Grants for Community Mental Health Services	B09SM086030/B09SM087381	93.958		25,102
COVID 19 Block Grants for Community Mental Health Services	B09SM084002			36,067
(Passed through the Richland County Mental Health and Recovery Services Board)				
American Rescue Plan Act - COVID 19 Block Grants for Community Mental Health Services	B09SM085390			31,224
Total Block Grants for Community Mental Health Services				92,393
(Passed through the Ohio Department of Mental Health & Addiction Services)				
Block Grant for Prevention and Treatment of Substance Abuse	B08TI085827	93.959		490,270
(Passed through the Ohio Department of Health)				
Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	00310012WF0223	93.967		18,390
Total U.S. Department of Health and Human Services			**471,107**	**5,195,313**

ASHLAND COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal AL Number	Passed Through to Subrecipients	2023 Expenditures
U.S. DEPARTMENT OF TRANSPORTATION				
(Passed through the Ohio Department of Transportation)				
Highway Planning and Construction Cluster:				
Highway Planning and Construction	109299	20.205		114,526
	109300			1,023
	117252			61,356
	117362			435,700
Total Highway Planning and Construction Cluster				612,605
Total U.S. Department of Transportation				**612,605**
U.S. DEPARTMENT OF TREASURY				
(Passed through the Ohio Office of Budget and Management)				
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	Not Available	21.027		3,979,925
(Passed through the Ohio Department of Mental Health & Addiction Services)				
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	Not Available			25,600
(Passed through the Ohio Department of Job & Family Services)				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	G-2223-11-6895/G-2425-11-6105			13,731
Total COVID 19 - Coronavirus State and Local Fiscal Recovery Funds				4,019,256
Total U.S. Department of Treasury				**4,019,256**
U.S. DEPARTMENT OF LABOR				
(Passed through the Ohio Department of Job and Family Services)				
(Passed through Area 7 Workforce Investment Board)				
Workforce Investment Act Cluster:				
WIOA Adult Program	G-2223-11-6895/G-2425-11-6105	17.258		31,401
WIOA Youth Activities	G-2223-11-6895/G-2425-11-6105	17.259	124,294	128,944
WIOA Dislocated Worker Formula Grants	G-2223-11-6895/G-2425-11-6105	17.278		40,468
Total WIOA Cluster			124,294	200,813
Total U.S. Department of Labor			**124,294**	**200,813**
TOTAL			**$ 595,401**	**$ 11,717,855**

See accompanying Notes to the Federal Awards Expenditures Schedule

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Ashland County (the County) under programs of the federal government for the year ended December 31, 2023. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D - SUBRECIPIENTS

The County passes certain federal awards received from the Ohio Department of Job and Family Services to other governments or not-for-profit agencies (subrecipients). As Note B describes, the County reports expenditures of Federal awards to subrecipients when paid in cash.

As a pass-through entity, the County has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award’s performance goals.

NOTE E - CHILD NUTRITION CLUSTER

The County commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the County assumes it expends federal monies first.

NOTE F - MATCHING REQUIREMENTS

Certain Federal programs require the County to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The County has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

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800-282-0370

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Ashland County
142 West 2nd Street
Ashland, Ohio 44805

To the Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(Government Auditing Standards)*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Ashland County, (the County) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated August 28, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Keith Faber
Auditor of State
Columbus, Ohio

August 28, 2024

OHIO AUDITOR OF STATE
KEITH FABER

65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Ashland County
142 West 2nd Street
Ashland, Ohio 44805

To the Board of County Commissioners:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Ashland County's, (the County) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Ashland County's major federal programs for the year ended December 31, 2023. Ashland County's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Ashland County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

The County's Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of this testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Keith Faber
Auditor of State
Columbus, Ohio

August 28, 2024

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ASHLAND COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2023

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	AL #14.228 – Community Development Block Grants AL #21.027 – Coronavirus State and Local Fiscal Recovery Funds AL #93.558 – Temporary Assistance For Needy Families Cluster AL #93.658 – Foster Care
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR § 200.520?**	Yes

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

None noted.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None noted.

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OHIO AUDITOR OF STATE
KEITH FABER

ASHLAND COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.

Certified for Release 9/17/2024

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